

CONTRACT

between

LATA/PARALLAX PORTSMOUTH, LLC

and

**UNITED STEEL, PAPER AND FORESTRY, RUBBER,
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND SERVICE
WORKERS LOCAL 5-689**

Effective Date: March 28, 2007

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CONTRACT

This project-specific Contract is made and entered into by and between LATA/Parallax Portsmouth, LLC hereinafter referred to as the "Company" and the United Steel Workers (USW) Local Union No. 5-689, hereinafter referred to as the "Union."

This contract shall become effective from the date of ratification by the members of USW Local 5-689 who are employees of the Company on such date. This labor agreement shall remain in force through September 30th of 2009. In the event that the Company's base contract is extended beyond that date, this agreement is also extended for the same amount of time or as mutually agreed upon by the Union and the Company.

The Company and the Union desire to establish satisfactory wages, hours, working conditions, and conditions of employment for the employees of the Company covered by the terms of the Contract, and further, to encourage closer cooperation and understanding between the Company and the Union to the end that a mutually satisfactory, continuous, and harmonious relationship may exist between the parties to this Contract.

ARTICLE I

CONTRACT SCOPE

Section 1. General

This Contract shall constitute the complete agreement between the parties hereto with reference to wages, hours, working conditions, and conditions of employment. Any additions, waivers, deletions, changes, amendments, memorandum of understanding, or modifications that may be made to this Contract shall be effected through the collective bargaining process between authorized representatives of the Company and the Union subject to ratification by the membership of Local 5-689 who are employed or are on the recall lists of LATA/Parallax Portsmouth. All other written or verbal understandings between the parties not incorporated herein by reference at the effective date of this Contract are hereby terminated. This Contract thus contains the entire understanding, undertaking, and agreement of the parties hereto. Any application, interpretation or alleged violation of this Contract or of amendments thereto can be a proper subject for the grievance procedure.

Section 2. Scope of Work

The Contract shall cover Environmental Remediation/Uranium Programs/Deactivation & Decommissioning (ER/UP/D&D) activities or projects as defined in DOE Contract No. DE-AC24-05OH20192 or work scope assigned by the Department of Energy to LATA/Parallax Portsmouth and/or assigned to its contractors, that includes tasks, functions or activities which have historically or traditionally been performed by the USW represented hourly workforce of the Portsmouth (PORTS) facility. The work scope shall be assigned and applied to the USW represented workforce without regards to the applicability of any labor standards (prevailing wage) determinations (e.g., Davis Bacon Act, Service Contract Act or Section 1804 of the Energy Policy Act of 1992), and no work shall be excluded from this scope based exclusively on a prevailing wage determination.

A. **Deactivation/Decontamination/Decommissioning** activities to be performed by the

USW represented workers under this Contract include, but are not limited to:

1. **Waste Management:** Packaging waste (which has been historically or traditionally performed by bargaining unit workers); over-packing waste containers; repackaging waste containers; staging waste containers for shipment or sampling; used drum decontamination; loading waste containers for on-site and off-site transportation; operation and maintenance of waste storage facilities; inspections, maintenance and decontamination of PCB storage areas and PCB spill sites including collection and containment systems; and operations of waste treatment processes, excluding unique/special processes provided by vendors that are not historically or traditionally performed by USW workers.
2. **Asbestos Removal:** Asbestos removal associated with maintenance, equipment repairs or modifications, and decontamination/decommissioning of process equipment and piping;
3. **Painting:** Painting, except where related to new construction.
4. **Scrapped Metals:** Remove, operate EM crane, decontaminate, size reduce, package, stage, prepare for recycle or shipping, recycle, and conduct the on-site transport and disposal of all scrapped metals;
5. **DOE Material Storage Areas (DMSAs):** Decontamination, equipment handling, preparation for inspection, packaging, staging, processing and disposition of materials, equipment, and waste in DOE Material Storage Areas;
6. **Highly Enriched Uranium:** Related work including: HEU handling, removal and packaging, decontamination and decommissioning.
7. **D&D:**
 - Process systems disconnect (including all chemical, radiological, and support utilities)
 - Process equipment removal, this includes process piping and related electrical systems.
 - Decontamination of process equipment, process piping, and surplus materials and equipment.
 - Demolition of structures (excluding use of high explosives)
 - Size reduction and packaging/loading of process equipment and piping
 - Recycling of process equipment, piping, and scrap materials
 - Packaging and loading of demolition debris

All D&D activities will be performed by the D&D worker classification.
Other work will be performed by the craft-specific trained workers.

- B. **Surveillance and Maintenance:** Surveillance and maintenance tasks of active and inactive facilities, including routine maintenance, and long term stewardship activities. If USEC assigns, transfers, or relinquishes leased equipment or property to the control of LPP, that work which has historically or traditionally been performed by the USW continues under this Contract.

- C. **Environmental Restoration/Remedial Actions:** Operate equipment and tools to support the remediation of contaminated soil or sediment in response to an immediate and unplanned need to complete remediation or stabilize contamination until planned remediation activities can be implemented. In addition, support the on-site transportation of the above soil or sediment and related materials to a staging area or on-site disposal cell/on-site landfill. Operate equipment and tools to support urgent or minor activities associated with excavation at burial grounds, routine on-site disposal cell/on-site landfill operations, erosion control, and installation of backfill material. Perform the containerization and packaging of the above excavated and residual waste materials for off-site shipment.

Operate and maintain the permanent on-site groundwater treatment facilities (including the groundwater collection system), perform preventative and corrective maintenance of instruments, electrical and collection systems; and decontamination of equipment after project completion. This subsection shall not include operations of special equipment brought in by vendors for new construction or remediation unless mutually agreed to by the Company and the Union.

- D. **DOE Funded Work Scopes Historically Performed by USEC:** DOE funded work scopes transferred from USEC to LPP in the future, including but not limited to site utilities, instrumentation, calibration of measurement devices, power operations, fire services, calibration and repair of M&TE and maintenance work related to site infrastructure not assigned to other contractors.

ARTICLE II

RECOGNITION

Section 1. Establishment and Limitation

In conformity with the Labor-Management Relations Act of 1947, as amended, the Company recognizes the Union as the sole and exclusive bargaining agent for those hourly employees within this bargaining unit, excluding Police and salaried personnel, included in the National Labor Relations Board Certification No. 9-RC-2361 or as set forth in the Scope of this Contract with respect to rates of pay, wages, hours of employment, and other conditions of employment. The Company shall bargain with no other Union for the representation of employees within this bargaining unit during the life of this Contract.

Section 2. Definition of Employee

The term "employee" as used herein shall mean any person represented by the Union as set forth in Section 1, Article II, of this Contract.

Section 3. Distribution

As a means of informing all employees as to their rights, privileges, and obligations under this Contract, the Company agrees to furnish a copy of this Contract to each employee covered by this Contract.

Section 4. Noninterference

The Company agrees not to interfere with the right of employees to join or belong to the Union and the Union agrees not to intimidate or to coerce employees to join the Union. The Company further agrees not to discriminate against any employee due to Union membership or Union activity. The Union agrees neither to solicit for membership nor to collect Union funds on Company time.

ARTICLE III

UNION SECURITY AND DEDUCTION OF DUES

Section 1. Dues Requirements

All employees within the bargaining unit who are members of the Union upon the execution of this Contract shall, as a condition of employment, maintain their membership to the extent of tendering the periodic dues uniformly required as a condition of retaining membership. All employees in the bargaining unit who are not members of the Union upon the execution of this Contract, but who later elect to join the Union, shall at all times thereafter maintain their membership in the Union as a condition of employment, as set forth above. All employees hired after the execution of this Contract shall, as a condition of employment, become members of the Union not later than thirty-one (31) days after the date upon which they were hired, and shall thereafter maintain their membership in the Union as a condition of employment as set forth above.

Section 2. Delinquency of Dues

Before any termination of employment pursuant to this Article becomes effective, the employee involved shall first be given notice in writing by the Union to pay delinquent dues. If the employee fails to pay the delinquent dues, the Union shall then notify the Company of the delinquency. Upon receipt of such notice in writing, the Company shall then notify the employee to pay the delinquent dues and if such dues are tendered within one (1) calendar week after receipt of this notification from the Company, dismissal under this Article shall not be required.

Section 3. Deduction of Dues

For the convenience of the Union and its members, the Company, during the life of this Contract, shall deduct an initiation fee and regular monthly dues from the paychecks of each employee who individually and voluntarily executes and delivers to the Company an Assignment and Authorization in the form set forth in Section 7 of this Article. Such deductions shall be forwarded to the Treasurer of the Local Union with a listing showing the names of those employees, if any, whose paychecks were insufficient to cover the deductions.

The Union agrees to indemnify and save the Company harmless against any and all claims, suits or other forms of liability arising out of the deduction of money for Union dues from employee's pay. The Union assumes full responsibility for the disposition of the monies so deducted once they have been turned over to the Treasurer of the Local Union or other properly designated official of the Union.

Section 4. Authorization of Deduction

An Authorization and Assignment shall be irrevocable for a period of one year from the date thereof or until termination of this Contract, whichever occurs sooner, and shall automatically renew itself for successive irrevocable annual periods unless the employee who signed it gives notice to the contrary in writing by registered mail to both the Company and the Union no less than two (2) days nor more than seventeen (17) days before the expiration of the authorization or before the expiration of any annual renewal period as the case may be.

Section 5. Make-Up Dues

Upon receipt, from the Treasurer of the Local Union, of Union members' names and amounts of dues that have been missed through payroll deductions, the Company shall deduct the make-up dues in the following week, or in subsequent weeks as the money becomes available, and forward to the Treasurer of the Local Union, in accordance with Section 3.

Section 6. Termination of Deduction

No deductions under this Article shall be made from paychecks from Union members who have terminated their employment or transferred out of the bargaining unit prior to the second payday of the month, unless they have worked or received paychecks equivalent to five (5) workdays or more in that month.

Section 7. Voluntary Check off and Information Release

The Union agrees that it shall indemnify the Company and save it harmless from any and all claims which may be made against it on account of amounts deducted from wages or the release and use of past employment records as required to conduct customary and usual business as provided in this Article.

A. Voluntary Check off Authorization

I hereby assign to the USW Local 5-689 and authorize LATA/Parallax Portsmouth to deduct from the wages due me while in the employ of the Company, dues in the amount of \$_____ per month, or such dues as the Union's Constitution and By-Laws may be amended to provide in four equal weekly installments each calendar month. I further authorize the Company to deduct from my wages an initiation fee in the amount of \$_____.

This authorization shall be irrevocable for the period of one (1) year from the date hereof, or until the termination of the Contract between the Company and the Union, whichever occurs sooner. Furthermore, this authorization shall automatically renew itself for successive irrevocable annual periods, unless I give notice to the contrary in writing by registered mail to both the Company and the Union no less than two (2) days and no more than seventeen (17) days before expiration hereof or before expiration of any annual renewal period, as the case may be.

(Signature)_____

(Address)_____

B. Release of Information Authorization

Please be advised that I, _____, have authorized LATA/Parallax Portsmouth, LLC as well as the United Steel Workers Local 5-689 (USW) and representative agents to periodically request information on my behalf, regarding past employment related information, including but not limited to: personnel and employment records, medical records related to such employment, any benefit related matters, past wages, pension and post health benefits. Please furnish any such requests on an expedited basis. Your cooperation is appreciated. This authorization remains in effect and shall have no effective date of expiration until expressly notified by both of the above authorized agents.

(Signature)_____Date_____

(Witness Signature)_____Date_____

ARTICLE IV

MANAGEMENT CLAUSE

The management of the business and the authority to execute all of the various functions and responsibilities incident thereto are retained by the Company unless restricted by a specific provision of this Contract. This includes, but is not limited to, the direction of the workforce, the establishment of company policies, the units of personnel required to perform work, hiring, retirement, disciplining, evaluating the qualifications of employees, and promotions. The exercise of such authority shall not conflict with the rights of the Union under the terms of this Contract.

ARTICLE V

CONTINUITY OF OPERATION

There shall be no strikes, lockouts, work stoppages, picket lines, slowdowns, secondary boycotts, or disturbances. The Union agrees to support the Company fully in maintaining operations in every way.

Participation by any employee or employees in an act violating this provision in any way shall be cause for discharge by the Company. Any discipline imposed shall be applied equally and indiscriminately to all employees according to the degree of involvement.

ARTICLE VI

PROTECTIVE SECURITY

It is recognized that all members of the Union and the Company are required to comply with all protective security measures now in effect. If the Company is notified by DOE that this in any way violates security measures which are now in effect, or which may be put into effect later, the Company shall in turn immediately notify the Union in writing of the need to renegotiate the section or sections of the Contract in question for the purpose of making the required changes.

Members of the bargaining unit will act as security escorts for other bargaining unit members, both new hires and present members, when requested to do so by supervision.

The Company will give preferential consideration for filling part-time, non-USW Assignment Specialist (Escort) positions to laid-off USW Workers Union employees on the recall list or USW employees who have received notification of their pending lay-off. Wages, benefits, and work conditions for these part-time positions will be in accordance with those policies already established under salaried guidelines.

Laid-off USW members who accept these part-time opportunities will still be considered laid-off from their hourly positions for purposes of the collective bargaining agreement and remain eligible for recall to an hourly position and maintain any associated severance. Since these positions will require an L and/or Q clearance to perform the job, the USW member's security clearance will be maintained or reactivated. If indications are that a Q clearance will be necessary, employees will be required to also complete the necessary paperwork and process for participants in the Accelerated Access Authorization Program (AAAP).

ARTICLE VII

GRIEVANCE PROCEDURE

Section 1. Intent and Distribution of Answers

The parties to this Contract recognize that grievances should be settled promptly and as close to their source as possible. Further, both parties shall endeavor to present all the facts relating to the grievance at the first step of the grievance procedure in order that an equitable solution may be achieved. The Company in the second, third and fourth steps of the grievance procedure shall give written answers to the grievance within the specified time limits unless extended by mutual consent. Copies of written answers to grievances shall be distributed or mailed to the Local Union Hall, the Local Union President, Vice-President (2 copies), the Division Committeepersons, the Alternate Committeepersons, the Steward of the aggrieved employee, and each aggrieved employee signing the grievance.

Definition: A grievance is defined as a dispute, difference, disagreement or complaint between the parties dealing with specific written provisions of this Agreement related to wages, hours, and conditions of employment. A grievance shall include, but is not limited to, the complaint of an employee, terminated employee, Company, or of the Union which involves the interpretation, application of or compliance with the provisions of this Agreement.

Section 2. Union Representatives

(a) Number of Representatives

The Company shall recognize the following number of properly certified Union representatives for the purpose of representing employees in the manner specified in this Grievance Procedure:

- (1) The Local Union President.
- (2) The General Grievance Committee consisting of the Vice-President of the Local Union who shall serve as Chairperson, and three (3) Committeepersons, one (1) from each of the recognized Representation Divisions.
- (3) Number of Stewards will be based on the following formula: 30 or less bargaining unit employees equals one, 60 or less bargaining unit employees equals two, etc.

When a properly certified Union representative is unavailable for any reason, the Company shall recognize an alternate certified by the Union. It is understood that only one, the Steward or the alternate, will be recognized for each incident.

(b) Grievance Investigation

Certified Union representatives employed by the Company shall be excused from work for reasonable periods of time during their scheduled working hours when handling grievances in the appropriate steps of this grievance procedure, excluding arbitration without loss of pay. These representatives shall code their timesheets accordingly.

Company employees thus duly certified and recognized as Union Representatives shall report to and obtain permission from their immediate supervision whenever it becomes necessary to leave their work for the purpose of handling grievances in their respective divisions, shall inform their supervision of their intended destinations and itinerary, shall notify the supervision of any department in which it becomes necessary to contact employees for the purpose of settling or investigating grievances, and shall report back to their immediate supervision at the time they return to work.

The above Union officials shall have access to the plant with proper approval at any time and shall notify supervision in the area in which they are present.

(c) Joint Company-Union Training

The Company and the Union agree to establish a Joint Training Committee (2 members to be appointed by each party) designed to better inform and utilize Union Committeepersons and Alternates, Stewards and Alternates, and management representatives. Training programs will be developed and presented by the parties subject to review by the Joint Training Committee.

Section 3. Disciplinary Cases

It is recognized that the maintenance of discipline is essential to the orderly work process and also that the invoking of disciplinary action should be designed to correct the conduct of the employees involved rather than to punish.

In the great majority of infractions of rules, termination of employment for disciplinary reasons is justified only after the employee has been given the opportunity to correct his/her behavior and has failed to respond to disciplinary measures. The four step progressive disciplinary process listed below will be utilized. However, when a situation is particularly serious, such as theft, willful misconduct, or harassment, immediate action initiated at Step 3 or 4 may be appropriate.

Four Step Process:

- 1) Verbal warning
- 2) Written warning
- 3) Suspension without pay
- 4) Termination

(a) Discussions

When an employee is called into a discussion which may result in disciplinary documentation, including reprimand, suspension, or being sent home, the employee shall be fully informed that a Union representative may be brought into the discussion. The Union Vice-President shall be informed in writing of any action taken. Any of the above can be a proper subject for the grievance procedure.

When an employee is called into a discussion which may result in discharge, the employee shall be fully informed that a Union representative may be brought into the discussion.

The decision to terminate an employee will not be made until at least two full working days have elapsed from the infraction. During this time, thorough consideration will be given to all facts and circumstances which are relevant to the matter. At the request of the Union, Company representatives will meet with Union representatives during the two-day period to discuss such relevant facts and circumstances.

The Union Vice President shall be informed in writing of any action taken.

The action taken can be a proper subject for the grievance procedure.

(b) Record Review

Written records of past documented disciplinary discussions, reprimands and/or suspensions which have been placed in the employee's file, exclusive of actions resulting from any future violation of Article V, shall be reviewed by the end of one year by the employee's supervision and the employee to determine whether they should be removed from all files and destroyed or retained up to a maximum period of two years.

(c) Initiation of Grievances--Step 3

If the employee or the Union files a written grievance protesting a suspension or discharge, within ten (10) days, such grievance shall be initiated at Step 3 of the Grievance Procedure. If such discharge or suspension is found to have been unjustified, the employee shall be reinstated to his/her former job and shall be compensated for all earnings lost, less pay for any penalty time decided upon, if any.

Section 4. General Grievances

Controversies may arise of a nature so general as directly to affect the majority of employees in a classification or department, or the majority of all employees. It is agreed that issues of this nature need not be subjected to the entire grievance procedure but may be initiated at Step 3.

Section 5. Time Limits

(a) Extension

Any grievance not taken up with an employee's immediate supervision within ten (10) days after the employee, or a certified Union representative has knowledge of the occurrence of the incident from which the grievance arose, shall be considered invalid and cannot be processed through the grievance procedure. The employee or a certified Union representative may request in writing an extension of five (5) days to investigate the grievance. Such extension shall be received by the Company within the first five-day period.

(b) Withdrawn--Settled

A grievance shall be considered settled or withdrawn if the decision of the Company is not appealed to the next higher step in the grievance procedure within ten (10) days after a decision has been rendered by the Company, unless this period is extended by mutual agreement between the parties.

(c) Answer

Any grievance not answered within the specified time limit may be immediately taken to the next higher step of the grievance procedure.

(d) Calculation of Time

In the calculation of time limits under the grievance provisions, including arbitration, "days" shall mean calendar days excluding Saturdays, Sundays, and Holidays, Vacations, and the scheduled days off of the aggrieved employee, whichever results in the longer period.

(e) Postponement--Hearing

A hearing at Step 2 may be postponed by mutual agreement of the Division Committee person and the department supervisor involved. A hearing at Step 3 may be postponed by mutual agreement between the Local Union Vice-President and the Labor Relations Specialist or his/her designated representative.

Section 6. Grievance Steps

Step 1: An employee who feels that he/she has a grievance may, as soon as reasonably possible, discuss it with his/her immediate supervision and Union Steward. The employee's immediate supervision shall answer the grievance as soon as possible but no later than at the end of the next scheduled work shift of the aggrieved employee. Settlements made in this step of the grievance procedure shall have no precedent value.

Step 2: If the grievance has not been disposed of at Step 1, it shall be reduced to writing on an appropriate form and presented to the aggrieved employee's department supervisor. Such written grievance shall be signed by the employee or the Committeeperson of that Representation Division and shall be identified by number. The Union shall, to the best of its ability, state in the written grievance all of the facts justifying the grievance and the provision of the Contract involved. A hearing shall be held within ten (10) days for shift workers and five (5) days for day shift workers. The hearing may be attended by the aggrieved employee, the Steward, and the Committeeperson at the option of the Union; and by his/her Supervisor, and other representatives of the Company; and may include other affected parties mutually agreed upon in advance between the Committeeperson and the affected supervisors involved.

Hearings shall be scheduled at a mutually agreed time. The Company shall answer the grievance within ten (10) days after the hearing.

Step 3: If the grievance is not settled satisfactorily at Step 2, it may be appealed in writing to the Labor Relations Specialist or his/her designated representative. Such written appeal shall state the reasons why the decision in the second or third step is not acceptable, shall be signed by the Vice-President of the Local Union or respective Committeeperson, and shall be presented to the Labor Relations Specialist or his/her designated representative, together with a copy of the Step 2 Company Answer.

On a day mutually agreed to by the parties as the need arises, hearings shall be held on plant site on any grievance appeals which have been delivered to the Labor Relations Specialist or his/her designated representative three (3) work days preceding the hearing. The attendance at this hearing shall include the Union General Grievance Committee, the Steward, the Labor Relations Specialist or his/her designated representative, other representatives of the Company as the Company deems necessary and at the option of the Union, the aggrieved employee or employees. The Company shall answer the grievance in writing within fourteen (14) calendar days following the hearing.

Section 7. Monetary Settlements

Any money due an employee as a result of the settlement of a grievance shall be paid within two (2) weeks following the settlement. Written notification will be given to the Vice-President of the Union to this effect.

Section 8. Arbitration

(a) Submission Procedure

1. Controversies which may arise concerning the reprimand, discharge, or suspension of employees; or controversies concerning the application, interpretation, or alleged violation of this Contract, which cannot be amicably settled in previous steps in the grievance procedure, may be submitted for settlement to an Arbitrator. The Company will date stamp and deliver a copy of the final Step 3 answer to the Union Vice-President, or designated representative. A grievance shall be considered withdrawn unless the Union appeals the grievance to arbitration within forty-five (45) days from the date of stamp.
 2. At the option of the Union, the Union President or his/her designated representative, and, if it desires, an International Representative may meet with the Labor Relations Specialist or his/her designated representative and at the Company's option, the affected Company Manager(s) to discuss the grievance prior to submission to arbitration. Within ten (10) days following the above meeting, the Local Union President and the Chairperson of the Union's General Grievance Committee or designated representative, (and may at the option of the Union include a USW representative) shall meet with representatives of the Company during the Union representative's scheduled working hours, and attempt to agree upon an Impartial Arbitrator. Should the parties be unable to agree upon an arbitrator, the Company and the Union shall alternately strike one name from the list, the first to strike to be decided by lot, until only one name remains, and the remaining arbitrator shall be the arbitrator to hear and decide the controversy.
- (b) 1. Grievances processed through Step 3 of the grievance procedure normally will be presented to the Arbitrator in the order that they are filed; however, the Union or the Company may indicate cases of high priority to be heard by the Arbitrator out of normal order. The Company and the Union shall have the right to schedule one grievance per contract year out of sequence to be arbitrated.
2. No grievance which predates this Agreement shall be pursuable under any terms or provisions of this Contract.
- (c) Should one of the above arbitrators die, become incapacitated, or refuse to act, the parties thereto shall mutually agree upon a successor to the panel.
- (d) Each party will strike one member of the arbitration panel in (b) above.
- (e) Stipulation of Issues

The Company and the Union may stipulate the nature of the dispute and the issues involved jointly in one stipulation or singly in separate stipulations. In the event that the parties stipulate the nature and issues of the dispute singly, a copy of such stipulation shall be furnished the other party at the same time the stipulation is submitted to the arbitrator.

- (f) Hearing Date

It is agreed by the parties to this Contract that arbitration cases shall be heard as soon as possible. On a date agreeable to both parties, the date to be set in conformity therewith

by the arbitrator, the parties, or their designated representatives shall at the time and place appointed by the Arbitrator, appear and present either a written or oral statement of the issues involved for consideration by the Arbitrator. Any written statement of issues shall be furnished to the other party at the arbitration hearing. In designation of the place, the Arbitrator shall be restricted to the area in which the plant is situated unless otherwise agreed upon. The Arbitrator shall schedule hearings of grievances in the order in which such grievances are submitted, unless the Company and the Union agree upon a different order for hearing.

(g) Decision--Time Limit

The Arbitrator shall render a decision on every grievance which has been submitted within thirty (30) calendar days from the date of hearing, unless additional time is requested by the arbitrator and is mutually agreed upon between the Company and the Union.

(h) Implementation of Decision

The decision of the Arbitrator shall be final and binding upon both parties and shall invoke immediate compliance by the parties. Any money due an employee as a result of such decision shall be paid not later than two (2) weeks following the receipt of a written decision to this effect.

(i) Cost

The expense and compensation of the Arbitrator shall be borne by and divided equally between the Union and the Company.

(j) Attendance at Hearing

In all proceedings under this section, the Company shall release from work the following employees when deemed necessary by the Union for a fair and reasonable presentation of its case before the Impartial Arbitrator without loss of earnings:

1. A Steward
2. Two (2) Aggrieved Employees
3. Other Union Committee members who may be employed by the Company

Additional employees will be released upon request without pay provided that supervision can make arrangements to efficiently continue the work.

(k) Power of Arbitrator

The Impartial Arbitrator shall not have the power to make any award changing, amending, or adding to the provisions of this Contract.

ARTICLE VIII

SENIORITY

Section 1. Definitions

(a) **Permanent Vacancy**

An addition of an employee in a classification for a period in excess of thirty (30) days shall constitute a permanent vacancy, to be filled under provisions of this Article. When the addition is a new hire, the posting procedures under Section 6 of this Article will be initiated upon the employee's arrival in the department or within thirty (30) days of hire, whichever comes first.

When the Company determines that the absence of an employee who was replaced under Section 6(e) 3 will exceed thirty (30) accumulated days the opening shall be posted or the temporary assignment discontinued.

(b) **Bargaining Unit**

Bargaining Unit for purposes of this Agreement refers to the hourly employees represented by USW performing work for the Company within the scope of work set forth in this Agreement.

(c) **Bargaining Unit Seniority**

Bargaining Unit Seniority is the total length of allowable time an employee has spent in the Bargaining Unit while employed by the Company without regard to classification. The seniority of each employee is his or her relative position with respect to other employees. In the event two or more employees have identical bargaining unit seniority, seniority will be ordered based on the greater seniority being given to the person with greater site-wide seniority. In the event that multiple employees have identical site-wide seniority, then seniority will be ordered based on the greater seniority being given to the earlier(est) birth date.

(d) **Classification Seniority**

Classification Seniority is the total length of allowable time an employee has spent in the classification while employed by the Company. The classification seniority of each employee is his or her position relative to said classification. In the event two or more employees have identical classification seniority, seniority will be ordered based on bargaining unit seniority. Thereafter, the rule of ordering seniority as described above apply.

(e) **Site-Wide Seniority**

Site-Wide Seniority is the total length of time an employee has been employed in a USW represented position by a Portsmouth site employer. In the event that multiple employees have identical site-wide seniority, then seniority will be ordered based on the greater seniority being given to the earlier(est) birth date.

(f) Laid Off

An employee is said to be laid off when he or she leaves the Company because of a voluntary or involuntary reduction in force and does not continue active employment with the Company.

(g) Classification Recall List

The Classification Recall List is defined as that list on which an employee is placed at the time he or she is either voluntarily or involuntarily laid off from a Company job classification and does not continue active employment with the Company. The list shall rank employees by classification in order of classification seniority. Individuals may be on more than one classification recall list. Individuals shall remain on this list for no longer than five (5) years from the date of layoff. This list is jointly maintained by the Company and the Union.

(h) Site-Wide Recall List

The Site-Wide Recall List is defined as that list on which an employee is placed at the time that he or she is either voluntarily or involuntarily laid off from a position with other DOE site contractors and does not continue active employment with any of those entities. Individuals shall remain on this list for no longer than ten (10) years from the date of layoff. This list is maintained by the Union.

Section 2. Company Service Credit

Employees shall receive previous company service credit earned at the Portsmouth site while employed with other DOE site contractors including, but not limited to, Bechtel Jacobs, Goodyear, Martin Marietta, Lockheed Martin Energy Systems, USEC, LPP, or UDS provided that such service credit is in effect at the time of a formal Company offer of employment. If any benefit had been liquidated based on such former service, that service shall not be allowed as credited service by the Company (i.e. severance or vacation.)

An employee's continuous service with the Company shall consist of the time actually spent on the payroll, plus properly approved absences from work, to be determined under the following rules:

(a) Leave of Absence

When an employee is on a leave of absence granted by the Company, his/her service shall be considered as continuous without any deductions if the absence does not exceed one year. However, service shall be considered as continuous without any deductions for employees on leave of absence for:

- (1) Occupational disability;
- (2) Public office for the duration of a single term of office only;
- (3) Non-occupational disability;
- (4) Union official on full-time international status not to exceed four years;
- (5) Educational Exit.

(b) Military Service

An employee who leaves the employment of the Company to enter military service, either by voluntary enlistment or by induction under the Selective Service System, shall be reinstated under the provisions of applicable Federal Statutes, upon application within the designated period of time following honorable or general discharge, provided he/she qualifies under the seniority rules and is physically capable of performing the work required. Upon reinstatement, such employee shall be given credit for continuous service from the time he/she left the employment of the Company to enter military service to the date of reinstatement.

(c) Laid Off--Service Credited

A laid off employee shall accumulate service for a period of time equal to his/her continuous service at the time of layoff, but not to exceed two (2) years for any single period of layoff. A laid off employee will have recall rights for ten (10) years.

If a laid off employee is recalled, he/she shall be credited with the accumulated service.

(d) Loss of Service

An employee shall lose continuous service when he/she is discharged, released, resigns, retires, accepts layoff without recall rights, is on continuous layoff for more than ten (10) years from date of layoff, or when he/she is on the recall listing, but not on the active payroll and declines or fails to report or make satisfactory arrangements within fourteen (14) calendar days after being notified of a recall. If such employee is later rehired, he/she shall be considered a new employee and continuous service shall date from the date of most recent hire.

(e) Notification--Recall

An employee shall be considered to be notified of a recall opportunity when an offer of recall has been sent by registered mail to the most recent address as recorded in the Human Resources Department. Copies of registered letters to recalled individuals will be mailed to the Union Vice-President at the time mailed to recalled individuals. Employees who turn down or fail to respond to a recall opportunity within fourteen (14) days will be taken off the Company recall list and will forfeit all service credit. The Company will notify the Union on the 11th day if the employee has failed to respond to a recall opportunity in order for the Union attempt to secure a response from such employee.

Section 3. Probationary Period

A new employee shall be considered a probationary employee and shall have no seniority rights for the first thirty (30) calendar days of employment. A probationary employee shall be subject to layoff, discipline, or discharge at the sole discretion of the Company for the first ninety (90) calendar days of employment. For purposes of this Section, employees who are recalled from the Site-Wide Recall List are considered new employees.

Section 4. Security Clearance Requirement

Should the security clearance granted to any employee be suspended, cancelled or not approved by DOE, such employee may be discharged immediately and such discharge shall not be subject to the Grievance Procedure. However, if such action by DOE was made in error and later reversed, the employee shall be reinstated without loss of seniority, compensated for all earnings lost, and credited with such time as continuous service.

Section 5. Reduction in Force

When reductions are required, an equivalent number of employees will be permitted to take voluntary layoff.

Should further reductions be necessary, the following procedure will apply.

- (a) When a reduction in force is to be made in a classification, the employee having the least amount of classification seniority shall be the first to be declared surplus. An employee in returning to a base classification may use his or her Classification Seniority to displace the employee with the least classification seniority.

- (1) When a reduction is made from a D&D classification, the D&D trainee classification will be reduced first.

- (b) List of Laid Off Employees

In the event of a layoff, the Union President and the Steward of the classification affected shall be given a list of the names of the employees who are to be laid off, together with the effective date of the layoff.

- (c) Announcement of Layoffs

The Labor Relations Specialist or his/her designated representative shall, where practical, give the Local Union President advance knowledge of scheduled layoffs.

- (d) Voluntary Layoff Options

- (1) Voluntary Layoff with Recall Rights

Any employee within the classification having more seniority than the employees who are scheduled to be laid off may accept a voluntary layoff as described below. The employee will be placed on the recall list of the classification from which he/she is laid off.

Employees electing to take voluntary layoff will be paid a layoff allowance on a weekly basis up to the eligibility shown in Article XII.

- (2) Voluntary Layoff Without Recall Rights

Any employee within the classification having more seniority than the employees who are scheduled to be laid off may accept a voluntary layoff without recall rights to thereby reduce the personnel units otherwise scheduled to be laid off

provided the procedure in paragraph (3) below is followed. Employees accepting a voluntary layoff without recall rights will be paid a lump sum layoff allowance consistent with Article XII.

(3) Voluntary Layoff Application Procedure

A. Written application must be made to the Human Resources Department.

This application must be presented during the first half of the period between the date of announcement of the reduction in force and the effective date of the layoff.

B. "Acknowledgment of the Conditions of Layoff," will be signed by employees electing to take voluntary layoff.

(4) The senior employees permitted to accept a voluntary layoff from any classification shall not exceed the number scheduled to be laid off from such classification.

Section 6. Permanent and Temporary Positions

(a) Filling Permanent Vacancies

The Company shall fill permanent vacancies by providing a right of first refusal in the following order:

- (1) Those qualified employees on the Company recall list to that classification shall be recalled in order of Classification Seniority (for purposes of such recall, this shall mean total accumulated time recorded in the classification). If an employee on layoff from the Company does not accept the offer of recall, he/she shall be removed from the recall list.
- (2) When a vacancy cannot be filled by the procedures in (1) above, the vacancy shall be posted on bulletin boards for seven (7) calendar days that are routinely viewed by hourly employees at the site. Vacancies shall be awarded to the active qualified employee(s).
- (3) When a vacancy cannot be filled by the procedures in 1, 2 above, the vacancy shall be posted on bulletin boards for seven (7) calendar days that are routinely viewed by hourly employees at the site. Vacancies shall be awarded to the active qualified bargaining unit employee(s) of other site contractors with the most Site- Wide Seniority who has signed the posting.
- (4) Those qualified bargaining unit employees in order of classification seniority who are on the USW local recall lists.
- (5) Those qualified or qualifiable bargaining unit employees laid off locally and then from other Department of Energy facilities and who are covered under Section 3161 of the FY 1993 National Defense Authorization Act.

- (6) If no qualified employees can be obtained in a timely manner from the (5) sources above, then the Company may hire qualified employees from any source.

After vacancies have been awarded, the Company shall notify the Union by letter or email.

(b) Addition to a Classification (Bid, Recall)

When the Company determines that a personnel unit(s) is needed to be added to a classification to fill a job of a temporary duration, not to exceed 90 days, and laid-off employees (those not currently on the payroll) are available for recall, the Company may choose to recall and assign the recalled employee(s) directly to fill the needed position. The newly recalled employee will remain in that position until the next realignment without posting the vacancy. Subsequent movements before the next realignment shall be by contract.

It is understood that the language of this Article 2d "Loss of Service", shall not apply in the event a laid-off Union employee declines an offer to fill a job designated with duration not to exceed 90 days.

(c) Returning to a Classification

When a personnel unit(s) returns to a classification under Section 5(a) (Reduction in Force), return to last prior classification from a leave of absence, or from military service as provided under Section 2(b), the returning employee shall return to the group which he/she left. Should this create an excess in that group, procedures outlined in Section 6(d) shall be followed.

(d) Permanent Movements Within a Classification

(1) When the Company determines that there is a need to increase the personnel units in a group and to decrease the personnel units in another group within the same classification, for a period in excess of thirty (30) days, the Company shall post a notice designating the groups involved which may be signed by any employee in that classification.

(2) The employee with the most classification seniority who has signed the posting shall be moved to the group in which the Company indicated there is a need.

(3) The group in which the Company determined there is an excess number shall be canvassed to determine if an employee desires to fill the vacancy created in Item (2). If no employee elects to accept the vacancy, then the least senior employee in the excess group shall move to any group where the employee can displace an employee with less classification seniority. The least senior employee in such group which has been displaced shall be permitted to bump to any group in the classification where he/she can displace a less senior employee. This procedure will continue until the need is filled, but not for more than three bumps. If the need has not been filled after three bumps have occurred, the employee displaced by the third bump shall be assigned to the remaining opening.

(4) In the event that no one bids for the posted vacancy under Section 6(d)(1) above of this Article VIII and that no movement results under Section 6(d)(2) above of this Article VIII, then the excess group is canvassed to determine if anyone desires to fill the vacancy. If no employee elects this option, then the least senior employee in the excess group shall move to any group where he/she can displace a less senior employee. The least senior employee in the group which is displaced by the movement out of the excess group shall be permitted to bump to any group in the classification where he/she can displace a less senior employee. This procedure will continue until the need is filled, but not for more than three bumps. If the need has not been filled after three bumps have occurred, the employee displaced by the third bump shall be assigned to the remaining opening.

(e) Temporary Movement Within a Classification

The following procedures are established which shall give consideration to seniority in temporarily assigning employees among groups within each classification:

(1) When assignments between established groups are to be made for periods in excess of a partial workday, the selection of employees for these assignments shall be made as follows:

A. The employees within the group(s) from which supervision determines the assignment(s) can be made, but only those who are then working, shall be canvassed in order of their classification seniority. If no one desires to accept such temporary assignment, the least senior employee(s) canvassed in each such group shall be temporarily assigned.

(2) This procedure does not apply to any group(s) where the practice has been to make daily assignments of work.

A one-time realignment will be conducted when an existing group is redesignated for this purpose. New group(s) established for this purpose will be filled under procedures in Section 6(d)1 of this Article.

(3) An employee on a temporary assignment shall be returned to his/her group when the temporary assignment is completed or the need is permanently filled as provided elsewhere in Section 6(d)1.

Section 7. Returning to the Bargaining Unit

(a) Salary--Hourly

Employees who leave the bargaining unit for a non-bargaining unit position following the adoption of this agreement: 1) if they are employees with less than one year of bargaining unit service, they are without return rights on the basis of the bargaining unit service; 2) if they are employees with one year or more of bargaining unit service, they are within return rights on the basis of the bargaining unit service if they remain in the non-bargaining unit position for less than 31 calendar days. The procedure for returning to the bargaining unit will be in accordance with provisions of Article VIII, Section 6(c). For each day spent out of the bargaining unit, the employee loses one (1) day of bargaining unit seniority.

(b) Temporary Supervision

A bargaining unit employee may accept an assignment in a temporary supervisory capacity for fifteen (15) accumulative days each contract year without loss of seniority. Once an employee exceeds the fifteen (15) accumulative days in one contract year he/she would be considered the same as in paragraph (a) above.

Section 8. Posting Criteria

A permanent vacancy posting for any classification listed in Appendix A shall list the following: classification, rate range, and minimum of experience. Postings under Section 6 for permanent movements within a classification shall list the following: classification, department, shift, group, immediate supervision, and current working schedule.

Section 9. Seniority List Distribution

Each six months, copies of seniority lists, and each month lists of new employees shall be furnished to the Union General Grievance Committee.

Section 10. Realignment

(a) Determination

In January, the employees within each classification may have realignment. The Union shall determine whether 50% of employees within a classification prefer realignment. Such determination will be reviewed with the Company.

(b) Effective Date

- (1) If the employee(s) within the classification prefers realignment, it will become effective the first full week in March. The Union shall initiate a canvass of all employees in the classification in order of their classification seniority to record their preference for assignment among the groups within the classification.
- (2) The Company shall furnish to the Union the necessary canvass sheets one week prior to the start of the canvass.
- (3) Employees who are on official Leave of Absence or who are not in the classification the Monday of the first full week of the canvass shall not realign.
- (4) To allow time for training that may result from realignment movement, canvassing for mutually agreed upon classifications will commence no later than December 1, and be completed within thirty (30) calendar days. No employee shall be moved to a new job until he/she has been adequately trained. Until trained for the new position, an employee will not be placed on the overtime list for the new position. The Company may assign employees for training for up to forty (40) hours prior to movement to a new position.
- (5) Unless mutually agreed, the effective date of the realignment shall be in accordance with paragraph (1) above.

(c) Canvass Sheet Designations

The classification realignment canvass sheets shall list and identify all the groups within the classification and their respective department, shift, immediate supervision, and current working schedule.

If there is a change in department, shift, general work content or current working schedule of the above groups as determined by the Company, the employees in the affected group(s) shall be permitted a bump, then the procedure outlined in Section 6(e)(4) of this Article will be followed. If there is a disagreement over whether there is a change in the above, a grievance may be initiated at Step 4 as outlined in Article VII. The committee person will notify the affected supervisor of employees who desire to exercise a bump.

Section 11. Placement of Occupationally Disabled Employees

When the Company determines that an occupationally disabled employee can perform duties in his/her classification, the Committee person and respective company manager shall agree upon a group within the employee's classification in which such disabled employee shall be placed consistent with medical restrictions as established by the Company Medical Officer. Such group may be considered an excess group and movements made as provided in Section 6(d) of this Article. When such medical restrictions are removed by the Company Medical Officer, the employee shall be returned to the group he/she left. Should this create an excess, procedures provided in Article VIII, Section 6(d), starting with Item 3, shall be followed.

If agreement cannot be reached, the employee may be placed consistent with his/her medical restriction. An employee placed consistent with this provision will suffer no reduction in his/her rate as a result of his/her placement. (Refer to Memorandum of Understanding entitled: "Physical Examinations.")

ARTICLE IX

LEAVE OF ABSENCE

Section 1. Qualification and Reinstatement

(a) Personal Reasons

Except as stated in Section 1(e) of this Article, an employee may be granted a leave of absence for personal reasons without pay up to fifteen (15) days upon application to the Company in writing, provided the employee presents evidence acceptable to the Company that such leave of absence is for a reasonable purpose and provided further that such leave of absence shall not unreasonably interfere with operations. Such leave may be extended where necessary upon application for extension in writing and upon presentation of evidence satisfactory to the Company that such extension is necessary, provided such extension does not unreasonably interfere with operations.

(b) Occupational Disability

An employee shall be granted a leave of absence for the period of an occupational disability upon approval of the Company Medical Officer. An employee who returns to work after a leave of absence for an occupational disability shall be reinstated in the classification from which he/she left provided he/she first obtains clearance from the Company Medical Officer.

(c) Non-occupational Disability

An employee shall be granted a leave of absence for the period of a non-occupational disability but not to exceed two (2) years upon presentation of evidence satisfactory to the Company. An employee who returns to work after a leave of absence for a non-occupational disability shall be reinstated in the classification, from which he/she left, provided first medical clearance is obtained from the Company Medical Officer. However, an employee who is cleared for work, within a two-year period, but is unable to perform the work in the classification due to a medical restriction, as determined by the Company Medical Officer, shall exercise Bargaining Unit seniority to move into any classification which the medical restriction permits, provided he/she is qualified. However, if he/she elects not to exercise plant wide seniority to move, he/she may be terminated for medical reasons. An employee who is not cleared to return to work upon the expiration of a leave of absence for non-occupational disability may be terminated for medical reasons after two (2) years.

(d) Dispute

In the event there is a disagreement between the Company Medical Officer and the employee's physician regarding the medical evidence presented at the time of the employee's return from injury or illness, at time of job transfer, or restriction from classification, the question shall be submitted to a third physician selected by the two physicians. The medical opinion of the third physician after examination of the employee and consultation with the other two physicians shall decide such question. The expenses of the third physician shall be borne jointly by the Company and the Union. In the event the third physician rules in favor of the employee, the employee shall be made whole for all earnings and benefits lost as provided under provisions of this Contract.

(e) Educational Exit

An employee may leave the employ of the Company after completion of one (1) year continuous service and upon approval of the Company in order to attend an accredited college or university, or a recognized trade or vocational school and shall be reinstated upon application provided he/she can qualify under the seniority rules, is physically capable of performing the work required, is granted a clearance and applies for reemployment within thirty (30) days after leaving the college, university, or school. Trade or vocational school for purposes of this clause is one which provides training or a course of study related to jobs performed for the Company. The employee upon reinstatement shall be given the service he/she had when he/she left the Company, plus time spent in school, not to exceed four (4) years. The employee shall notify the employer in writing of the name of the school, the date of entry, and the expected length of the course of study. He/she shall confirm the continuation of his/her school attendance at annual intervals thereafter, subject to quarterly review. It is understood

the employee will not be eligible for any Company benefits while on an educational exit. The employee must return to the active payroll before becoming eligible for contractual benefits.

(f) Personal Leave Beyond FMLA Eligibility

In the event where an employee, due to personal illness meeting the qualifying conditions for FMLA, completely exhausts his/her FMLA 12 week eligibility and subsequent to this event experiences a situation whereby a qualifying family member becomes ill or has another situation which meets the qualifying conditions for the employee to be granted FMLA, that said employee will be granted Personal Leave Without Pay for a period of up to 12 weeks to care for the family member.

In the case where the employee has partially used their FMLA eligibility due to personal illness and then has a family member become ill meeting the conditions that would qualify the employee for FMLA, said employee will be granted a combination of his/her remaining FMLA eligibility and Personal Leave Without Pay for a period of up to 12 weeks to care for the family member.

Section 2. Union or Government Official

(a) Union Official--Full Time

Upon written request to the Company made by the Union a reasonable period in advance, an employee certified by the Union to be a full-time Union official shall be granted a leave of absence without pay to engage in work pertaining to the business of the Union. The number of employees granted such leaves of absence shall not exceed four (4) at any time.

(b) Length of Leave

Each such leave of absence shall be for a period no less than seven (7) days and no longer than one (1) year, and shall be granted only at such times as shall not unreasonably interfere with operations. Leaves of absence shall not be renewable from year to year except as mutually agreed by the parties.

(c) Elected Official--Full Time

Upon written request to the Company, an employee shall be granted a leave of absence to serve full-time in an elected or appointed Federal, State, or Local government position for the duration of a single term of office only.

(d) Security Identification

An employee granted such leave of absence must return all security identification issued and shall be issued appropriate identification.

Section 3. Absence Notification

(a) Responsibility

An employee is responsible for notifying the Company, in advance, if possible, when unable to report for work as scheduled, including the reason thereof.

(b) Failure to Notify

An employee who is absent from work for five (5) successive scheduled workdays without notifying the Company, shall be considered to have resigned voluntarily.

Section 4. Failure to Report on Expiration

An employee who does not return to work by the fourth scheduled workday following the expiration of a leave of absence or any extension thereof without notifying the Company shall be considered to have resigned voluntarily.

ARTICLE X

HOURS OF WORK

Section 1. Definitions

Workday means the 24-hour period beginning at 12:00 midnight.

Workweek means the 7-day period beginning at 12:00 midnight on Sunday.

7th Consecutive Day means the 7th consecutive workday in the workweek, i.e., the 24-hour period beginning at 12:00 midnight on Saturday.

Working Schedule means the hours of shifts to be worked by employees and the day or days on which such shifts are to be worked.

Also see Article X, Section 14. Special Provisions for 12-hour Shift Employees

Section 2. Working Schedule

(a) Shift Hours

The following shift hours are recognized as standard for operations: Day Shift – 7:30 a.m. to 4:00 p.m. (“O” Shift) and for D&I Operators from 7 a.m. to 7 p.m. or 7 p.m. to 7 a.m. (“12-hour” shift.) An optional Day Shift that may be used if determined by management to be the most efficient for a specific project is from 7:00 a.m. to 5:30 p.m. (“10-hour” shift).

(b) Irregular Shift

An irregular shift is an eight-hour shift other than those shifts identified in (a) above. Irregular shifts may be established as required.

(c) Trading Shifts

Employees may trade shifts or days off with the prior approval of their respective supervision, and provided further that no overtime premium is involved.

(d) Wash-up/Clothes Change

All employees shall be appropriately dressed and ready to work at the beginning of their shift.

Employees will be allowed fifteen (15) minutes for wash-up and/or clothes change activity to be taken at the end of the shift.

(e) Notification of Change

The Union shall be notified in advance when possible of any change in the present working schedule; however, the provisions of this Contract shall not be considered as a guarantee by the Company of a minimum number of hours per day or per week or pay in lieu thereof, nor a limitation on the maximum hours per day or per week which may be required to meet operating conditions.

Section 3. Overtime Opportunity

(a) Responsibility

It shall be the responsibility of supervision to keep overtime lists by classification by group according to overtime worked. Lists will be arranged by seniority, and overtime will be offered to the most senior low-hour employee capable and trained to perform the job functions associated with the available overtime. Deviations from this procedure will be considered proper and equitable if there is good reason for such deviation. The overtime will be managed such that there will not be more than 16 hours difference among employees at the end of each quarter (Mar, June, Sep, Dec). Should the Company not assign an employee to work overtime in accordance with the provisions of this Article, the employee shall not be entitled to pay for lost overtime but shall be given the next available opportunity to work overtime when overtime is available to the employee's overtime group except that if at the end of the quarter there is more than 16 hours difference among employees at the end of the quarter, the employee(s) will be paid for the excess hours over 16. The Company agrees to work with the Stewards to resolve overtime issues.

Applicable Overtime Canvassing ("OCS") lists shall be posted and kept up to date as overtime opportunities are distributed under the rules and procedures in Section 4(a) below of this Article X. Such OCS lists shall be posted in accessible locations so that employees can readily review them.

(1) Overtime will be offered to all employees within the bounds of any imposed restrictions, i.e. medical and/or security clearances.

(2) Overtime opportunities outside the bounds of the restrictions (medical and/or security clearances) will be charged such that hours remain within a 16 hour balance.

- (3) When a specific work assignment is assigned to an employee or employees for completion and the work can be completed within 30 minutes of the end of the shift, the overtime will normally be worked by the employee or employees to whom the work was assigned.
- (4) An employee moving to a new list shall be put on the list according to classification seniority, and if the employee has more hours than the maximum on that list, the hours will be reduced to that maximum. When an employee has fewer hours than the minimum on that list, the minimum hours on that list will be assumed.

When an employee is neither higher nor lower, actual hours will be carried to the new list.

New employees, employees who return to the bargaining unit and employees who move from one classification to another, shall assume the maximum number of hours on the overtime list on which they have been placed.

- (5) Each calendar year after realignment, supervision may readjust the overtime list for easier administration by reducing the hours of the low-hour employees to zero (0) and reduce the remaining employees by the same number of hours.
- (6) Employees shall be contacted for overtime except for those on any type of authorized leave of absence, including jury duty and funeral leave. No more than one reasonable attempt to reach anyone is required. Employees who miss overtime because they are absent for any reason, or who refuse when offered, or who are not readily available by telephone, or working in a temporary supervisory capacity, shall be charged overtime as having been offered the overtime. Employees on any type of authorized leave of absence, including jury duty and funeral leave, shall return from leave in the same relative position within the overtime group as when the absence began.
- (7) For overtime guarantees, a minimum of 2 overtime hours shall be charged any overtime time <2 hours and 4 hours shall be charged for overtime >2 hours up to 4 hours. However, if no guarantee is involved, then actual hours and tenths of an hour shall be charged but not less than one hour.
- (8) Each year in conjunction with realignment an employee may request that his/her name be removed from the classification, department or group overtime list for call-in purposes only, and in addition once each year at the option of the employee have his/her name either added to, or removed from the call-in overtime list by written application to supervision.
- (9) In order to resolve disputes which may occur in the application of the overtime procedure, the Union Steward shall be consulted on the issue. Failure to resolve the issue will then make it subject to the grievance procedure.
- (10) Whenever overtime is to be offered, supervision has the option of consulting the Steward and if agreement is reached on who is to be offered the overtime opportunity, the Company will not be liable for any misapplication.

- (11) All overtime opportunities shall be charged when offered. If an overtime opportunity is cancelled, charged hours for that opportunity shall be removed. No more than a maximum of eight hours shall be charged for any one eight-hour work period.

Section 4. Overtime or Premium Hours

(a) Duplication of Premium Hours

Overtime or premium payments shall not be duplicated for the same hours under any of the terms of this Contract. Hours that are compensated for as overtime or premium under one provision shall not be counted as hours worked in determining overtime or premium compensation under the same or any other provision, except as provided in Section 5(b).

(b) Crediting of Hours

- (1) Jury duty time, vacation, funeral absence, schedule change, holiday worked, Reporting for Work, Section 10(A)(1), and 6th consecutive day worked, which are compensated for under other appropriate provisions of this Contract shall be credited as hours worked in computing overtime and in determining days worked for 6th and 7th consecutive day application, except that, to avoid duplication, there shall be credited only eight (8) hours for any one calendar day.

- (2) Holiday not worked but paid shall be credited in the same manner.

(c) Offsetting Overtime Hours

An employee shall not be required to take off a corresponding amount of time before the end of his/her regular shift or in any subsequent scheduled workday in the same workweek to offset any overtime worked.

Section 5. Overtime or Premium Payments

(a) Time and One-Half

An employee shall be paid at the rate of one and one-half (1-1/2) times base hourly rate of pay and at the rate of one and one-half (1-1/2) times any applicable shift differential for:

- (1) All hours worked in excess of eight (8) hours or ten (10) hours if working a ten (10) hour shift in any twenty-four (24) hour period or for all hours worked in excess of forty (40) hours within the work week whichever method of computation provides at the end of the work week the greater total pay to the employee.
- (2) All hours worked on the sixth (6th) day worked in a workweek, provided he/she has worked or is credited with a minimum of four (4) hours in each of the preceding five (5) workdays of that workweek.
- (3) Payment for the first eight (8) hours worked on a new schedule except when such change is made at the request of or for the convenience of the employee or unless notified thereof in the preceding workweek of a change in an employee's

working schedule from one shift to another, from one roll-out day to another, or in scheduled vacation.

(b) Two Times

An employee shall be paid at the rate of two times base hourly rate of pay and at the rate of two times any applicable shift differential for:

- (1) All hours worked in excess of sixteen (16) continuous hours, exclusive of the non-paid lunch period for "O" Shift, and for all hours worked on the seventh (7th) consecutive day worked in a workweek, provided he/she has worked or is credited with a minimum of four hours in each of the preceding six workdays of that workweek.
- (2) Schedule change, if such change results in more than sixteen (16) hours worked in a 24-hour period or more than forty (40) hours worked in a workweek, except when such change is made at the request of or for the convenience of the employee.

(3) Holiday Call-in

An employee who is required to work on a holiday that was scheduled as a day off shall be paid eight (8) hours at base hourly rate, and shall be paid at the rate of two (2) times base hourly rate and (2) times applicable shift differential for all hours actually worked up to and including eight (8). All hours worked in excess of eight (8) shall be paid under Section 7(c).

- (4) Shift Overlap: See MOU on page 72.

(c) Two and One-half Times

An employee shall be paid at the rate of two and one-half (2-1/2) times base hourly rate and at the rate of two and one-half (2-1/2) times any applicable shift differential for all hours worked on a day observed as a holiday.

(f) Temporary Work Assignments

An employee who at the request of the Company is temporarily required to work in a classification other than his/her own shall be paid 1.5 times the employee's regular rate of pay, or the regular rate of pay of the classification to which he/she is assigned, whichever is higher, and any applicable shift differential for all time spent performing such work.

Section 6. Holidays

(a) Eleven Holidays

The following holidays shall be observed: New Year's Day, Good Friday, Memorial Day, Independence Day, a day related to Independence Day, Labor Day, Columbus Day, Thanksgiving, the day after Thanksgiving, Christmas Eve and Christmas Day.

(b) Saturday/Sunday

Should one of these holidays fall on a Sunday, the following Monday shall be observed as the holiday, and work on such Sunday shall not be compensated for under the holiday pay rules. Should one of these holidays fall on a Saturday, the preceding Friday shall be observed as the holiday and work on such Saturday shall not be compensated for under the holiday pay rules.

(c) Not Worked

An employee who is not scheduled to work on a day observed as a holiday or who is scheduled to work and reports off before the start of the shift due to illness shall be paid an amount equal to eight (8) times base hourly rate, provided he/she works a minimum of eight (8) hours in the week in which the holiday is observed or is absent because of funeral leave, jury duty, military leave, or on an approved vacation for any other day(s) of such week. However, duplicate payment shall not be made for holidays except as provided in Article XIII, Section 5. This provision does not apply to an employee who reports for work after being hired or recalled in the week of, but subsequent to, a holiday.

Section 7. Shift Differential

(a) Afternoon/Night

A shift differential of forty cents (\$.40) per hour shall be paid for work performed between the hours of 4:00 p.m. and midnight. A shift differential of seventy cents (\$.70) per hour shall be paid for work performed between the hours of midnight and 8:00 a.m., exclusive of work performed on regular shift. Shift differential is not applicable to overtime hours worked when assigned to day shift operations.

(b) Exclusion of Payment

Shift differential shall not be paid for hours not worked.

Section 8. Weekend Bonus

An employee who works Saturday and/or Sunday where overtime premium is not applicable, shall receive an additional forty cents (\$.40) per hour for such hours worked on Saturday and sixty cents (\$.60) for hours worked on Sunday. In no case shall such payments be applied to hours not worked.

Section 9. Lunch Period

(a) Non-paid Lunch Period

Employees working on shifts designated as "O" shall have a non-paid lunch period of thirty (30) minutes to begin not earlier than three and one-half (3-1/2) hours or later than five (5) hours after the shift begins. For a lunch period outside these hours an additional thirty (30) minutes at base hourly rate shall be paid.

(b) Meal Allowance Premium

An employee who is required to work overtime and who works ten (10) or more continuous and successive hours (excluding the lunch period of an "O" shift worker or ten-hour shift worker) shall be paid a meal allowance of \$5.00 which shall be included in the regular paycheck. An additional meal allowance shall be allowed for each four (4) hours of consecutive work performed thereafter.

No time shall be deducted for lunch periods during such overtime work. It is being understood that they shall be made as short as possible.

Section 10. Minimum Guarantee Payments

(a) Reporting for Work

- (1) An employee who reports for work at the start of his/her regular shift or at the time appointed by the Company without previously having been notified not to report, shall be given at least four (4) hours work, or if no work is available, four (4) hours pay at base hourly rate, except that if work is unavailable as the result of causes beyond the control of the Company, it shall not be so obligated.
- (2) Failure on the part of an employee to keep the Company informed of a current address and telephone number shall relieve the Company of its responsibility under this section of the Contract.

(b) Work Before Shift Start

An employee required to report for work before the regular scheduled starting time shall receive not less than four (4) hours pay at base hourly rate or pay at one and one-half (1-1/2) times base hourly rate plus one and one-half (1-1/2) times applicable shift differential as overtime pay for such work is performed, whichever is greater.

(c) Work After Shift Ends

- (1) An employee required to work overtime beyond the end of his/her scheduled shift will be paid for up to thirty (30) minutes at the rate of two (2) times base hourly rate for this thirty minute (30) period. If the work goes beyond thirty minutes, the workers shall receive not less than two (2) hours pay at base hourly rate or one and one-half (1-1/2) times base hourly rate plus one and one-half (1-1/2) times applicable shift differential (if applicable) for actual time worked, whichever is greater.
- (2) It is understood that (1) above does not apply to an employee who may be required to remain on assignment due to the absence or tardiness of another employee who is scheduled to relieve him/her, or to an employee who is held on the job up to the end of the scheduled shift.

(d) Emergency Call-In

An employee who has left the plant and is called in by the Company to perform work shall receive not less than four (4) hours pay at base hourly rate or pay at one and one-half (1-1/2) times base hourly rate as overtime pay for such work performed,

whichever is greater. If the work is performed on a day observed as a holiday which the employee was not scheduled to work this guarantee shall be in addition to holiday pay.

(e) Required Training

An employee required to report to plant site or stay beyond his/her regularly scheduled shift for training purposes shall be entitled to the minimum guarantee of four (4) hours base hourly rate or actual hours worked at one and one-half (1-1/2) base hourly rate, whichever is greater.

Section 11. Jury Duty Pay

Any employee, who is required to serve on a municipal, county, or federal jury, or grand jury, shall be paid the base hourly rate for the time lost from the regularly scheduled work shift by reason of such service subject to the following provisions:

(a) Notification of Supervision

Employees must notify their supervision within 24 hours after receipt of notice of selection for jury duty.

(b) Eligibility

In order to be eligible for such payments, the employee must furnish a written statement from the appropriate public official showing the date and time served and the amount of pay received.

Section 12. Funeral Pay

An employee who is excused from work because of the death of a member of his/her immediate family shall be paid at base hourly rate for time missed up to a maximum of three (3) consecutive scheduled workdays. For the purpose of this section, the term "a member of the immediate family" shall be defined as, and be limited to, the following: spouse, children, stepchildren, parents, stepparents, grandparents, grandchildren, brothers, stepbrothers, sisters, stepsisters, sons-in-law, daughters-in-law, brothers-in-law, sisters-in-law, parents-in-law of the employee, grandparents-in-law, and, if they reside in the employee's household, other dependent relatives.

Section 13. Military Pay

An employee who has completed his/her probationary period, who is a member of a reserve component of the Armed Forces and who is required to enter upon active annual temporary training duty, or temporary special service, shall be paid the difference between the amount of base pay received from the Federal or State Government for such duty and the employee's base hourly rate for the time lost while on such duty up to a maximum period, beginning with the first regularly scheduled workday missed, of twenty-eight (28) calendar days per year. This includes one (1) weekend training period per calendar year subject to the maximum of twenty-eight (28) calendar days per year. Reimbursement is subject to the following provisions:

(a) Orders

An employee must submit to supervision, as soon as possible after receipt, evidence of orders to report for training.

(b) Statement of Service

When the employee returns to work, he/she must submit to supervision a statement supporting payment for such duty.

(c) Hours not Credited

Time off from work paid for under this section shall not be counted as hours worked in the computation of overtime or premium pay.

(d) Exclusions in Determining Payment

Such items as subsistence, rental, travel allowance and pay for non-scheduled work-days, shall not be included in determining base pay received from Federal or State governments.

Section 14. Special Provisions for 12-Hour Shift Employees

1. The 12-hour shift may be terminated at any time by either the Company or the Union upon thirty (30) calendar days prior written notice to the other party as follows:
 - a. A fifty percent (50%) plus one (1) disagreement of the affected shift A-B-C-D employees within the classification/groups or,
 - b. The approval of the Company Manager of the affected shift A-B-C-D employees within the classification/groups.
2. If the differences arise from the 12 hour shift schedule covering the amended articles and sections, they will be resolved by a joint Company/Union Committee. If the Committee is not able to resolve the issue, then they will be referred to the Fourth Step of the grievance procedure. The Committee will consist of three (3) Union and three (3) Company representatives.
3. In order to allow for twelve-hour shift employees to review and respond to job posting vacancies, the notices will be posted on Tuesdays.
- 4.. A workday means a twenty-four (24) hour period beginning at 7:00 a.m. Workweek means the seven (7) day period beginning on Monday at 7:00 a.m. The starting time can be adjusted by mutual agreement of the Union and the affected Company Manager.
5. A standard day's work shall consist of twelve (12) hours worked in a workday. A standard four week rotating schedule will consist of one (1) forty-eight (48) hour, one (1) forty (40) hour and two (2) thirty-six (36) hour workweeks.
6. During the 40 hour workweek, the employee may choose to work the last four (4) hours or roll-out for the entire twelve (12) hours on the roll-out day. Supervision must be

notified at least twenty four (24) hours in advance of that shift if the employee chooses to roll-out for the entire twelve (12) hour shift. This advance notice applies only to the designated roll-out day.

7. The following shift hours are recognized: Day Shift, 7:00 a.m. to 7:00 p.m. and Night Shift, 7:00 p.m. to 7:00 a.m. They will be designated as AA-BB-CC-DD shifts.
8. An employee shall be paid at the rate of one and one-half (1 1/2) times base hourly rate and at one and one-half (1 1/2) times any applicable shift differential for: All hours worked in excess of twelve (12) hours in any twenty-four (24) hour period or for all hours worked in excess of forty (40) hours within the workweek, whichever method of computation provides, at the end of the workweek, the greater total pay to the employee.
9. Weekend premium will be paid for all hours worked on Saturday and Sunday as follows: Saturday hours - 7:00 a.m. Saturday to 7:00 a.m. Sunday and Sunday hours - 7:00 a.m. Sunday to 7:00 a.m. Monday.
10. A meal allowance will be paid after fourteen (14) hours of continuous and successive work.
11. Jury Duty pay will be as the current contract language allows. It is recognized that the employee shall be paid their base hourly rate for the time lost from the regularly scheduled 12 hour shift. Jury Duty scheduled on scheduled days of work will be credited as hours worked.
12. Funeral Pay - An employee who is excused from work because of the death of a member of his/her immediate family, shall be paid at base hourly rate for time missed up to a maximum of three (3) consecutive scheduled twelve (12) hour workdays. Immediate family defined in contract.
13. Vacation - Vacation time will be requested, in increments of four (4) hours, eight (8) hours and twelve (12) hours. Four (4) hours vacation may be requested for the first four (4) hours or the last four (4) hours of a 12 hour shift. Twelve (12) hours vacation is equivalent to one and one-half days of vacation entitlement.
14. Night shift differential will be paid for hours worked between 7:00 p.m. and 7:00 a.m. No shift differential will be paid for hours worked between 7:00 a.m. and 7:00 p.m.
15. The first day worked, other than the scheduled work week, will be considered the sixth consecutive day. All days worked after this would be considered the same as the seventh consecutive day.
16. For working twelve (12) hours on a day observed as a holiday, employee will receive base hourly rate and applicable shift differential for the first four (4) hours and two and one-half (2 1/2) times base hourly rate and two and one-half (2 1/2) times applicable shift differential for the remaining eight (8) hours.
17. If any of the observed holidays fall on an employee's scheduled day off, his/her first succeeding scheduled work day shall be recognized as the holiday except that where there are two consecutive holiday days (July 4th and companion day, Thanksgiving and companion day, and Christmas Eve and Christmas). In this case, the first holiday will

be recognized on the employee's last preceding scheduled work day and the second holiday will be recognized on the employee's first succeeding scheduled work day.

ARTICLE XI

WAGES

Section 1. Base Hourly Rates

The base hourly rates, job classifications and labor grades are set forth in Appendix A and Appendix B which have been fixed on a permanent basis shall remain in effect for the duration of this Contract, unless revised by the Joint Classification Committee.

Section 2. Rate Changes

An employee shall receive automatic rate increases from the starting rate to and including the maximum rate of the labor grade in the amount and at the completion of each period of service indicated in Appendix A and Appendix B, except as provided below:

(a) **Time Excluded**

Period of service shall exclude any absence for which a leave of absence is granted.

(b) **Withheld**

Unsatisfactory work performance may be cause for withholding an automatic increase. Facts concerning such action shall be furnished in writing to the employee affected. The withholding of an automatic increase can be a proper subject for the Grievance Procedure.

(c) **Advanced**

Supervision may approve increases before the completion of any period of service or to the next step rate within the rate range of the labor grade as indicated in Appendix C.

(d) **Progression Period**

Each increase starts a new period of service for progression to the next step rate within the rate range of the labor grade, measured from the effective date of such increase.

(e) **Effective Date**

Automatic rate changes shall become effective on Monday of the week in which the new rate is established.

Section 3. Classification Change

(a) **Higher Labor Grade**

An employee who moves to a classification having a higher labor grade shall begin at the starting rate of the higher labor grade. However, if such starting rate is the same as or less than the existing rate, he/she shall begin at the next step rate of the higher labor grade above the existing rate, but not to exceed the maximum.

An employee who returns to a higher classification under the following conditions:

- (1) previously held and had obtained maximum rate for that classification,
- (2) returned by job bid,

shall assume the current maximum rate for that classification. However, should the employee be unable to perform the job during an acclimation period because of lack of job expertise or knowledge from not working in the classification for period of time, the employee may have his/her rate reduced and applied in accordance with Article XI, Section 3(a), unless supervision determines otherwise.

(b) Same Labor Grade

An employee who moves to another classification within the same labor grade shall retain his/her existing rate and maintain credit for service for progression in that same labor grade without reduction.

(c) Lower Labor Grade

An employee who moves to a classification having a lower labor grade shall begin at the maximum rate of the lower labor grade or his/her existing rate, whichever is the lower.

- (1) Rate changes shall become effective on the first day of work in the new classification.
- (2) An employee awarded a vacancy in a trainee or 2nd Class classification that, in the opinion of the Company, is capable of performing the duties of the next higher classification, may become eligible for transfer to that classification in less than one (1) year.

Section 4. Recall to Classification

An employee recalled to a classification shall assume a rate at the same relative position in the rate range as established when placed on the recall list for such classification.

ARTICLE XII

LAYOFF ALLOWANCE

Section 1. Eligibility

- (a) Employees who are laid off by the Company due to a reduction in force shall be paid a layoff allowance in accordance with the eligibility schedule in paragraph (c) below.
- (b) Employees terminated for medical reasons who do not qualify for benefits (excluding vested pensions) under the pension plan referred to in Article XIX or who are laid off without recall rights, shall be paid a termination allowance in accordance with the eligibility schedule.
- (c) Layoff Allowance Eligibility Schedule

CONTINUOUS SERVICE ALLOWANCE

Less than 3 months	No allowance
3 months but less than 1 year	1 week (or 40 hours)
1 year but less than 3 years	1-1/2 weeks (or 60 hours)
3 years but less than 5 years	2-1/4 weeks (or 90 hours)
5 years but less than 7 years	3 weeks (or 120 hours)
7 years but less than 10 years	7 weeks (or 280 hours)
10 years but less than 11 years	8 weeks (or 320 hours)
11 years but less than 13 years	9 weeks (or 360 hours)
13 years but less than 15 years	10 weeks (or 400 hours)
15 years but less than 17 years	11 weeks (or 440 hours)
17 years but less than 18 years	11-1/2 weeks (or 460 hours)
18 years or more	Same as for 17 years plus 1/2 week (20 hours) for each added year of service

Section 2. Occupational Disability

An employee who is terminated by the Company due to reduction in force, who during the course of employment has suffered an occupational disability (as defined in Article XVII, Section 4) for which the Industrial Commission of Ohio has awarded a permanent partial disability of 50% or more prior to the time of termination, shall receive an additional layoff allowance equal to the schedule in Section 1. Such employee shall be deemed to have no right to further employment with the Company.

Section 3. Payments

Calculation of payments under Section 1 above shall be based on the employee's base hourly rate at time of layoff.

Section 4. Recall Eligibility

An employee on layoff who is recalled and subsequently laid off will have his/her layoff allowance computed based on his/her most recent recall date plus any unused portion previously earned.

ARTICLE XIII

VACATIONS

Section 1. Eligibility

An employee shall be entitled to a vacation with pay in each calendar year worked, based upon the length of continuous service, in accordance with the following schedule:

- (a) One (1) year but less than five (5) years of continuous service - ten (10) workdays of vacation.
- (b) Five (5) years but less than ten (10) years of continuous service - fifteen (15) workdays of vacation.
- (c) Ten (10) years but less than twenty (20) years of continuous service - twenty (20) workdays of vacation.
- (d) Twenty (20) years but less than twenty-five (25) years of continuous service - twenty-five (25) work days of vacation.
- (e) Thirty (30) years or more continuous service - thirty (30) workdays of vacation. However, USW represented employees who were covered by the USEC CBA on April 1, 1996 are entitled to 30 work days of vacation after 25 years of continuous service .

An employee coming off the recall list must work a full 30 days prior to being credited with any previously earned vacation.

Any unused vacation that cannot be carried over (hours >240) will be paid in January.

An employee must complete the full minimum continuous service requirements before becoming eligible to take a vacation or additional vacation.

Section 2. Extended Working Schedule

If a department is on an extended working schedule at the time a vacation is taken, the vacation pay shall be consistent with the employee's department's extended working schedule. However, an employee shall not be charged more than five (5) days vacation for any one workweek. An employee who is on vacation shall receive the base hourly rate at the time the vacation was taken for each hour of vacation for which qualified.

Section 3. Vacation Period

The vacation period shall be on a calendar year basis from January 1 to December 31 inclusive. All vacations shall be taken within the vacation period, except that an employee may defer up to 240 hours of vacation until the next vacation period.

Section 4. Deferred Vacation

An employee may defer his/her vacation only until the end of the following vacation period. Any employee who is unable to take any deferred vacation due to occupational or non-occupational disability will be paid for any unused portion thereof.

Section 5. Holiday During Vacation Period

If a day observed as a holiday occurs during an employee's vacation, such employee shall receive eight (8) hours pay at base hourly rate in addition to vacation pay, and may elect to take a day of excused absence without pay, consecutive with the vacation, provided such additional day of absence is scheduled in advance.

Section 6. Scheduling

Vacations will be scheduled in advance with the employee's supervisor and the supervisor will consult with the steward to ensure adequate work coverage. Preference within a department, shift, or group as to dates shall be given on the basis of classification seniority, provided such preference is indicated prior to April 1. It is understood that such preference shall include vacation deferred from the preceding vacation period. Vacation may be taken in one hour increments or more.

Section 7. Exiting Employees

An employee who is laid off, released, discharged, or who resigns, shall be paid for vacation earned but not taken at the time employment is terminated.

Section 8. Deceased Employees

In the event an employee who is entitled to a vacation dies before taking that vacation, the person designated as beneficiary of his/her Group Life Insurance shall be entitled to the vacation pay in the manner permitted by law. It is understood that same person will receive any banked vacation pay in the manner permitted by law.

Section 9. Occupational Disability--Eligibility

An employee who loses time from the active payroll due to a Portsmouth site occupational disability shall not have vacation reduced because of time lost due to such disability, but shall be entitled to take vacation after returning to work.

Section 10. Retirees - Pro Rata Vacation

Vacation pay at time of retirement

Vacation hours remaining may at the employee's option, be taken as time off or paid in a lump sum at retirement. In addition, the employee will receive a lump sum payment for a pro rata portion of the following year's vacation based upon the number of full months elapsed prior to the employee's retirement date.

The fraction of a pro rata portion to be paid is determined by dividing by 12, the number of full months from January 1 to the date of retirement.

Exceptions to the general rule governing the calculation of pro rata vacation are:

1. If, because of leave of absence, the employee has not worked during the year in which retirement occurs, the employee nevertheless is eligible for pro rata vacation pay. This pay is determined by the number of full months elapsed from the first of the year in which the employee last worked until the start of the absence.

Since the employee has not worked during the year in which retirement occurs, no current year's vacation is due.

2. If the employee has worked during the year in which retirement occurs but was on leave of absence for a period immediately preceding retirement, any period of such leave of absence which equals one or more full months is to be deducted in calculating the pro rata vacation payment. (Note: Reinstatement from leave of absence for vacation does not constitute "working").

ARTICLE XIV

HEALTH AND SAFETY

Section 1. Health and Safety Program

- (a) The parties agree that health and safety is of the highest priority. The Union and Company recognize the importance of maintaining a safe and healthful work environment and shall cooperate to further improve the health and safety programs and to encourage employees to follow safety policies and procedures as established in order to achieve these objectives. The Company has adopted and will maintain an ongoing ALARA program.
- (b) The Company is responsible for maintaining a safe and healthful work place. The Company shall maintain a monitoring program that effectively determines exposure levels to all chemicals or physical agents which are known to be hazardous in the work place. The present practice of providing the Union with copies of monitoring reports shall be continued. Results of such surveys will be made available to employees who request such information through their supervision.
- (c) Employee(s) may present to appropriate supervision or through the suggestion system their recommendations in writing on matters relative to safe, sanitary, and healthful working conditions. They will be advised in writing of the disposition of such written recommendations and may discuss such written recommendations with their Shift Safety Representative.
- (d) No employee shall be required to perform work under conditions which are unsafe beyond the normal hazards of the operation in question. In such cases, the employee may, after discussing the matter with supervision, contact the Shift Safety Representative to discuss the problem. If the problem is not resolved with the employee's immediate supervision, the Shift Safety Representative may contact the Plant Shift Superintendent and/or Subdivision Superintendent for a decision. This decision of the Plant Shift Superintendent and/or Subdivision Superintendent may be reviewed by the Company-Union Health and Safety Committee. Any health or safety problem can be a proper subject for the grievance procedure after it has first been reviewed by the Company-Union Health and Safety Committee.

- (e) All employees shall be given Health and Safety training appropriate to their work environment.

Section 2. Company-Union Health and Safety Committee

A joint Company-Union Health and Safety Committee shall be established to consider health and safety matters of mutual concern and make appropriate recommendations in accordance with the Company's Health and Safety Committee Charter.

The union co-chair will function as the USW safety representative and will be given adequate time to resolve open safety issues and obtain appropriate training. Adequate time is defined as not greater than 50% of his/her scheduled work hours.

Section 3. Safety Equipment and Devices

(a) Clothing

The Company shall make provisions for the safety and health of employees while at work. The Company shall provide safety equipment and devices and such clothing (including shoes) as the Company requires employees to wear for their own protection.

(b) Prescription Glasses

The Company shall furnish prescription safety glasses (tinted or otherwise) to employees as required by job assignment or a prescription approved by an ophthalmologist.

Section 4. Medical

(a) Records

Records relating to the radiation exposure of employees shall be maintained by the Company Medical Officer. Such records shall be made available to the employee upon written request, or as required by DOE regulations.

(b) Physical Examination

1. Employees shall be scheduled for routine physical examination each two (2) years on an optional basis. Because of work assignment, some employees may be scheduled for required physical examination more often. The employee shall be verbally informed of the results of such examinations by the Medical Officer. Upon a written request of the employee, the results of an examination shall be mailed to his/ her personal physician.
2. If the required periodic comprehensive physical examination discloses a medical disability (other than one caused by a non-occupational injury) which is disqualifying, in the judgment of the Medical Officer as to the job then held by the employee, but not as to some other job or jobs, the employee is to be transferred to a job consistent with his/ her medical restrictions and consistent with his/her length of service.

3. While in such other job, the employee's rate of pay shall be the applicable rate of the job held by him/her at the time of disqualification or the rate of the job to which he/she has been transferred, whichever is the higher.
4. Should the disability be determined by the Medical Officer on the basis of the finding of the employee's private physician -- i.e., should such a finding be accepted by the Medical Officer in lieu of undertaking its own required periodic comprehensive physical examination -- the rate-retention provisions set forth above shall apply equally to that disability.
5. When, in the judgment of the Medical Officer, the employee's medical disqualification no longer exists, the employee may be re-assigned to a job consistent with his/her seniority rights and shall therewith lose the above-specified rate protection.

ARTICLE XV

JOB DESCRIPTIONS

Section 1. Agreement

The agreed upon job descriptions are a part of this Contract. They describe in general terms the general duties, responsibilities, and job content of each of the classifications established in Appendix A.

A Job Description booklet will be maintained with current descriptions of all hourly position functions and responsibilities.

Section 2. Joint Classification Committee

A Joint Classification Committee composed of three (3) members each from the Company and the Union is established. This Committee shall evaluate and approve new classifications, modifications and deletions of classifications in Appendix C during the term of this Contract.

A Joint Classification Committee will review and approve job descriptions and rate evaluations as well as defining the assignment of unlisted tasks to the appropriate classification or classifications.

New classifications or changes in classification will not be implemented without the approval of two members representing each party.

ARTICLE XVI

MISCELLANEOUS

Section 1. Work by Non-Bargaining Unit Personnel

(a) Definition

Non-bargaining unit personnel shall consist of any individual in the employ of the Company, or its subcontractors, who is not represented by Local 5-689.

(b) Emergency--Instructional

Non-bargaining unit personnel shall not do work normally performed by the bargaining unit. This does not prevent such non-bargaining unit personnel from performing necessary functions such as operating equipment or processes in emergencies or from instructing employees.

(c) Experimental

Development personnel engaged in work of a development or experimental nature may perform manual work provided that such work does not deprive bargaining unit employees of work normally done by bargaining unit employees.

Section 2. Payday

Friday is the regular payday for the workweek. Weekly paychecks or direct deposit advice statements will be hand delivered to employees.

Section 3. Bulletin Boards

The Union shall be permitted the use of a sufficient number of designated Company bulletin boards for notices and announcements of official business. All such notices and announcements shall be submitted to the Company for approval and posting.

Section 4. Union Representatives--Plant Supervision

The Union agrees to furnish the Company with a current list of its accredited representatives. The Company agrees to furnish the Union with a current list of supervision concerned with the administration of the provisions of Article VII. Revisions to such lists are to be furnished as changes are made by either party.

Section 5. Pay for Union Officers

The President of the local union and other officers shall at all times retain the right to represent employees. Time spent for such representation shall be funded through a work authorization or other mechanism in an amount equal to the ratio of USW employees to the number of plant wide USW employees. The paid union officials considered under this section include: the President, Vice President and 3 Committee Members. In addition, the Company agrees to provide payment for 4 hours per week for the USW benefits representative to serve the Company and/or subcontractor employees.

Section 6. Non-Discrimination

No employee shall be discriminated against by reason of race, religion, color, national origin, sex, age, handicap, or veteran status.

Section 7. Written Notice--Policy Changes

The Company shall give the Union prior written notice, where practicable, of changes in policies which directly affect employees of the bargaining unit.

Section 8. Definition -- Days

The term "days," as used in this Contract, shall mean consecutive calendar days except as otherwise indicated.

Section 9. Subcontracting

- (a) It is understood that the Company, at its discretion may contract or subcontract work or functions normally performed by bargaining unit personnel or work defined in the "Scope of Work" and "Future Work" sections. However, in exchange for that discretion, the Company will impose certain requirements on the contractors or subcontractors. The requirements will be contained in the bid specifications, requests for proposal and subcontract documents. If the work load exceeds the staffing for the work normally self performed by the Company, work may be subcontracted to supplement the work force within the classification, consistent with the requirements herein. However, prior to subcontracting in such a circumstance, personnel in the affected classification shall be offered a reasonable amount of overtime.
- (b) The bid specifications, requests for proposal and subcontract documents will require the subcontractor to use the bargaining unit workforce employed by the Company to perform the work specified in the subcontract, to the extent such employees are available within the Company workforce. When such employees are not available from the Company, the subcontractor may obtain employees from outside sources including other USW workers at the Portsmouth facility, USW recall lists, or other qualified workers as determined by the subcontractor. The bid specifications, requests for proposal and subcontract documents will also require the subcontractor to adhere to the wages, fringe benefits and other economic terms and conditions in this Agreement to the extent such employees are eligible to participate in such plans.
- (c) The Company will notify the Local Union President when bid specifications and requests for proposal are being issued for subcontracting activities. This notification will include an estimate of the workforce requirements contained in the subcontract to verify availability of necessary classifications and quantities of personnel.
- (d) The Company will perform the Davis Bacon Committee reviews to determine if work will be performed by the bargaining unit workforce. If the determination indicates the work will be performed by subcontractors due to the work scope being outside the bounds of this Contract, the above conditions will not apply.
- (e) The Company agrees that one (1) non-voting USW Committee representative

may attend the Davis Bacon Committee meetings for the purpose of providing the capabilities of the workforce for the work scope identified.

- (f) The Company recognizes a responsibility to utilize all its employees and will not subcontract work normally performed by the bargaining unit employees without giving full consideration to the classification that normally performs the work. The bargaining unit employees will perform the work that they normally perform: 1) where time limits for job completion will permit; 2) where sufficient qualified personnel are present; and 3) where resources are available.
- (g) If the work load exceeds the staffing or skills of the work normally performed by the employees present within a job classification, work may be subcontracted to supplement the work force within the classification. If such work which has been assigned and begun during the regular work week requires overtime, personnel in the affected classification shall be offered a reasonable amount of overtime so long as the requirements in (a) above are satisfied.
- (h) It is understood that bargaining unit employees who normally perform the work in question shall not be displaced or laid off as a direct result of work being subcontracted.
- (i) If it is necessary to subcontract work normally performed by the bargaining unit, the Company shall inform the Local Union President. Upon request, the Company shall meet with the Local President to give an explanation of the nature of the work, approximate dates, contractor, and the reasons for the Company's decision to subcontract such work.
- (j) Company subcontractors recognize the Company as responsible for the interpretation of provisions of this Agreement and subcontractors shall maintain positive labor management relations. In addition, subcontractors agree that any situation or occurrence related to hourly workers which may affect the employer-employee relationship, will be communicated to the designated Company Labor Relations Specialist employed by the Company.

Section 10. Smoking Policy

It is agreed that smoking is prohibited in all plant buildings and other enclosed structures. Smoking in government vehicles is prohibited. If the Ohio law is overturned, smoking in non-DOE vehicles is authorized if all occupants agree. In addition, if the Ohio law is overturned, areas will be designated for smoking in at least one area in Buildings X-326, X-330, X-333, and X-720 if buildings are controlled by the Company.

ARTICLE XVII

SICKNESS AND DISABILITY PLAN

Non-Occupational Disability Pay

Section 1. Eligibility

Provided the "Conditions of Payment" outlined in Section 2 below are met, an hourly paid employee shall receive weekly, as due, non-occupational disability payments if he or she:

- (a) has three (3) months or more of continuous service as determined in accordance with the rules set forth in Article VIII, Section 2.
- (b) provides the Company, if it so requests, with a doctor's certificate as proof that absence was due to a legitimate non-occupational disability.
- (c) is absent in excess of sixteen (16) consecutive scheduled work hours.
- (d) reports the absence and the cause of absence to immediate supervision within the foregoing sixteen (16) hour period.

Section 2. Conditions of Payment

(a) Exclusions

Non-occupational disability payments shall not be made for:

- (1) Any period of incapacity during which the employee is not under treatment by a licensed or practicing physician; or
- (2) Any sickness or injury caused directly or indirectly by war or riot; or
- (3) Any intentionally self-inflicted injury.

(b) Limitation

Payments under this plan shall be made only to employees whose absence is due to non-occupational disability and shall not be paid to employees who are absent for other reasons.

Section 3. Payment

(a) Waiting Period

No payments shall be made for the first sixteen (16) consecutively scheduled work hours of absence for any non-occupational disability unless the disability continues for twenty-five (25) consecutively scheduled workdays or more, or the employee is admitted to a hospital as an inpatient for medical treatment or surgery, or treated on an outpatient basis and provided services that would otherwise require admission to the hospital as an inpatient during the first two (2) waiting days of a certified non-occupational disability.

For the purposes of non-occupational disability absences and payments, a workday in which less than four (4) hours of work is performed or paid for is considered a workday of absence.

The Company and Union agree that an employee may at his/her option utilize his/her vacation to offset any portion of the sixteen (16) hour waiting period.

An employee who is disabled for twenty-five (25) or more consecutively scheduled workdays, and receives disability pay for the sixteen (16) hour waiting period, may at his/her option, arrange to repay the vacation pay and have the vacation time reinstated.

(b) Payment Period

Following the sixteen (16) hour waiting period, payments for any one period of non-occupational disability shall be made for a period of time as follows:

Tier 1: 100% pay for first 16 weeks

Tier 2: 85% pay for next 10 weeks

Tier 3: 60% thereafter until long term disability becomes effective

(c) Amount of Pay

Excluding the sixteen (16) hour waiting period, the amount of payments shall be 100%, 85%, or 60% of the base hourly rate (as described above) the employee is receiving for each scheduled work hour and 100% of the COLA amount of such absence not compensated for under any other provision of this Contract, but not to exceed a total compensation of eight (8) hours for any one workday nor the period of time determined from (b) above, except as provided in Article XIII, Section 4. Benefits will be paid by a combination of self-insurance and insurance through the Company's short-term disability carrier.

Also see Article X, Section 14. Special Provisions for 12-hour Shift Employees

Section 4. Occupational Disability Pay

- (a) Any employee who is absent from work because of an occupational disability arising out of and in the course of employment, unless purposely self-inflicted, or due to willful misconduct, violation of plant rules, or refusal to use safety appliances, shall be granted a leave of absence in accordance with Article IX. When properly approved by the Company, an employee shall be paid an amount equal to the difference between his/her base hourly rate and any payments received from Workers' Compensation. When there is no question concerning the occupational nature of the disability, an estimate may be made of the amount of this difference and payment may be made before Workers' Compensation claim has been approved. An adjustment may be necessary after payments are being made on a regular basis. Such payment shall cease when the employee is determined to be permanently disabled, or when the Company's doctor finds the employee is able to return to work.
- (b) An employee who is scheduled for layoff because of reduction in force while receiving occupational disability make-up payments under this section will have such payments extended to, but not beyond, the date the individual either becomes able to work, reaches maximum (predictable) possible recovery, or six (6) months after the scheduled

layoff date due to reduction in force, whichever of these first occurs. Occupational disability make-up pay will not be extended beyond layoff except to those cases and to the extent described in this Subsection (b). An employee on occupational disability at the time of layoff will be paid layoff allowance in a lump sum.

- (c) The Company will make a determination as to whether a claim for Worker's Compensation weekly benefits, in whole or part, will be accepted or rejected within five (5) work days of receipt of medical documentation. The Company will make the initial benefit payment within fifteen (15) work days after determination to accept the claim is made. The Company will continue to periodically examine employees to determine if the occupational leave and supplemental pay is to be continued. Any disagreement between the Company doctor and the treating physician about an employee's ability to return to work shall be resolved by the Ohio Bureau of Worker's Compensation. The Company will continue the employee's present choice of medical providers to the extent permitted by law.

Section 5. Basis of Payment

All disability payments provided for in this Contract shall be reduced by the amount or amounts of any other benefits which might be provided through state or federal legislation for the same type of disability and for the same period of absence.

Section 6. Rate of Pay

Non-occupational and occupational disability payments shall be based on the rate the employee would be receiving if working.

Section 7. Time and Expenses for Physician Visits

Regular pay and mileage shall be paid for travel time and visits to physician or hospital for medical exams, tests, and physician reviews required by the Company or insurer for non-occupational leaves of absence and work restriction reviews.

Section 8. Request For Medical Information

Upon request, the Union will assist the Company in obtaining medical information regarding non-occupational illnesses and injuries. Once such information is requested, five (5) working days will be allowed for the information to be received. Only the Plant Medical Doctor may call employees on non-occupational medical leave into the plant for Medical Reviews. If the information that is provided is adequate to resolve the question that led to the need for the employee being called in, the Medical Facility will not follow through with the requirement that the employee come into the plant. Physical Examinations will be conducted as part of these reviews only if the employee consents.

Section 9. Scheduling Follow-Up Medical Treatment for Employees with Occupational Injuries

The Company will reasonably accommodate employees who request to be released from work for medical appointments resulting from occupational injuries. Employees, in turn, will be expected to work with supervision to schedule such appointments so as to minimize the need for loss of work time. They are also expected to provide as much notice of the need to be released from work as possible.

The Company will notify the Union of individual cases of employee non-cooperation, requests resulting in special operational problems or questions of excessive use of release time.

ARTICLE XVIII

EMPLOYEE BENEFITS

Section 1: Employee Benefit Plans

Employee benefits shall include the following:

- 1) Multiple Employer Pension Plan (“MEPP”)
- 2) Multiple Employer Welfare Plan (“MEWA”)
- 3) MEWA Retiree Health Care Plan
- 4) Employee Savings Plan 401(k)
- 5) Basic and Supplemental Life
- 6) Flexible Spending Accounts
- 7) Special Accident Insurance Plan
- 8) Employee Assistance Program
- 9) Basic Long-Term Disability Plan
- 10) Short-Term Disability Plan
- 11) Business Travel Accident Insurance Plan

All Plan documents and applicable amendments are incorporated in this Contract by reference. Notwithstanding provisions contained in any benefit plan documents or notices, the Company shall not eliminate any benefit plans or programs, nor shall they provide less than substantially equivalent benefit levels (subject to availability of such plans or programs) unless they notify and bargain with the Union, in accordance with applicable federal and state law.

The Union and the Company agree to mutually explore alternatives to the MEWA to reduce overall costs to both the Company and its employees subject to ratification protocols.

Section 2: Service Credits

Service credits accumulated with USEC (and its predecessors) shall be credited by the Company and/or its first and second-tier subcontractors for fringe benefits including vacation, 401(k), and severance. In addition, service credits shall be credited by the Company and/or its first and second-tier subcontractors for pension and retiree health for those who meet the definition of grandfathered employee. An employee who is laid off or retires and collects severance from USEC (or its predecessors) will only receive credit for new service for the purpose of calculating severance.

Service Credit That Transfers From USEC or BJC to LPP or its Subcontractors

	Years of Service Credited for Vacation	Years of Service Credited for Pension that is Applied to MEPP (Grandfathered employees only)*	Years of Service Credited for Savings Plan 401(k)	Years of Plant and Classification Seniority Accrued in the Bargaining Unit	Years of Service Credited for Accrued Severance	Years of Service Credited of Eligibility for Retiree Health Care Benefits (Grandfathered employees only)*
Employees hired by LPP or sub from USEC, receives no severance from USEC & meets Grandfathered definition	×	×	×	×	×	×
Employee voluntary quits USEC and is employed by LPP or sub and receives no severance from USEC	×	×	×	×	×	×
Employee who is laid off (voluntary or involuntary) and is employed by LPP or sub and receives severance	×	×	×	×	New Service Only	×
Employee who collects pension from USEC after being hired by LPP or sub	×	×	×	×	×	×
Employee who retires from USEC prior to being hired by LPP or sub	New Service Only	New Service Only	X	New Service Only	New Service Only	×

*Subject to eligibility requirements as defined in the MEPP and MEWA. USW members who are hired from TPMC, UDS, or other site contracts other than USEC will be eligible for MEPP and MEWA Retiree Health if they meet plan eligibility requirements.

Section 3: Benefit Programs for “Grandfathered” Employees

The benefit programs offered by the Company to grandfathered employees will include all benefit programs described in Section 1 above. “Grandfathered Employees” are individuals who meet the definition of grandfathered as described in the Bechtel Jacobs Multiple Employer Pension Plan. Bechtel Jacobs Company currently administers both the MEPP and MEWA Plans.

Section 4: Benefit Programs for “Non-Grandfathered” Employees (New Hires)

All benefit plans available and provided to “grandfathered” employees shall be provided to non-grandfathered employees by the Company except for participation in the Multiple Employer Pension Plan and the Retiree Health Care Benefits Plan. In lieu of the Multiple Employer Pension Plan, the Company will contribute a profit sharing component of a 401(k) profit sharing plan in an amount equal to 5.8% of the applicable hourly wage for every hour worked. Employee vesting in this profit sharing component shall be immediate. This 5.8% is in addition to the 401(k) Plan described in Section 1 above. If non-grandfathered employees are not permitted to participate in the Retiree Health Care Benefit Plan (MEWA), prior to hiring such individuals, the Company agrees to provide a plan equivalent in cost.

Section 5: Premium Share

Employee premium share for participation in the Multiple Employer Welfare Plan is as follows:

Effective at time of ratification	10% with \$175 cap
Effective January 1, 2008	12% with \$190 cap
Effective January 1, 2009	14% with \$210 cap

Employee premium share for participation in the Dental Plan is 3% for the life of this Contract.

MEWA MEDICAL PLAN

	100/90% PPO Plan
Deductible	In Network: Individual \$0 Family \$0 Out of network: Individual \$100 Family \$200
Out-of-Pocket Max	In Network: Individual \$0 Family \$0 Out of network: Individual \$600 Family \$1200
Lifetime Max	\$1,000,000 Includes \$10,000 yearly restoration.
Office Visit Co-pay	None
<u>Benefits</u>	
Doctor Visit	In: 100% - No deductible Out: 90% - After deductible
Second Surgical Opinion	100% However, Aetna recommends any SSO be covered at the same benefit levels as the physician charges.
Hearing Aids	1 aid per ear per member covered at 100%. Not subject to deductible
Physical Therapy	\$500 max every 3 years.
	60 day visit limit per condition
X-Ray and Lab	In: 100% - No deductible Out: 90% - After deductible
Inpatient Hospital / Surgery	In: 100% - No deductible Out: 90% - After deductible

<u>Benefits</u>	
Inpatient Hospital / Surgery	In: 100% - No deductible Out: 90% - After deductible
Outpatient Surgery	In: 100% - No deductible Out: 90% - After deductible
Pre-Admission & Post-Confinement Testing	In: 100% - No deductible Out: 90% - After deductible (Aetna follows hospital guidelines to determine time frames for testing.)
<u>Preventative Care</u>	
Immunization	In: 100% - No deductible Out: 90% - After deductible Flu shots are covered. Must be medically necessary.
Well-Child	In: 100% - No deductible Out: 90% - After deductible 6 visits year 1. 2 visits ages 1-2. Ages 2-6 = 1 per 12 mo. Ages 7-64 = 1 per 24 mo.
Well-Woman	In: 100% - No deductible Out: 90% - After deductible Limit 1 per cal year
Routine Physical Exam	In: 100% - No deductible Out: 90% - After deductible Limit to 1 visit each 24 months for ages 7-64
Routine Mammogram	In: 100% - No deductible Out: 90% - After deductible For age 40+. Limit 1 per cal year Plan pays up to \$85
<u>Emergency Care</u>	
Doctor Office	In: 100% - No deductible Out: 90% - After deductible
Emergency Room	100% - No deductible
Emergency Conditions	For treatment of sudden/serious onset of illness or injury
Ambulance	90% - After deductible (must be medically necessary)
<u>Other Services</u>	
Birthing Centers	In: 100% - No deductible Out: 90% - After deductible
Cancer Therapy	In: 100% - No deductible Out: 90% - After deductible
Midwife	In: 100% - No deductible Out: 90% - After deductible
Chiropractor	90% in- and out-of-network, after deductible Max: 60 visits per cal. year
Durable Medical Equipment	In: 100% - No deductible Out: 90% - After deductible

<u>Hospice / Home Health/ SNF</u>	
Hospice Inpatient / Outpatient	In: 100% - No deductible Out: 90% - After deductible Max: 60 days per cal year
Hospice Physician, Social Worker, Psychologist & Bereavement Counseling	In: 100 % - No deductible Out: 90% - After deductible (Coverage is for hospice patient not bereavement counseling) Max: \$5,000
Home Health	In: 100 % - No deductible Out: 90% - After deductible Max: 120 days per cal. year
Skilled Nursing Facility	In: 100 % - No deductible Out: 90% - After deductible 120 day per convalescence Prior hospitalization required
<u>MH/SA</u>	
Mental Health Inpatient	In: 100% - No deductible Out: 90% - After deductible Max: 30 days per cal. Year
Substance Abuse Inpatient	In: 100% - No deductible Out: 90% - After deductible Max: 30 days per cal. Year
Mental Health (MH) & Substance Abuse (SA) Outpatient Treatment Combined	In: 100% - No deductible Out: 90% - After deductible MH Max: 30 visits per cal. year SA Max: \$3,000 per cal. year
<u>Prescription</u>	
Drug & Medication	90% - After deductible Mail Order: 90 days Generic: In: 100% - \$5 co-pay Out: N/A 90 days Brand: In: 100% - \$15 co-pay Out: N/A Non-Participating Mail Order Pharmacy Benefits Not Covered. Does not go towards out-of-pocket maximum.
<u>Eligibility</u>	
Employee	Full-time on first day of employment
Dependent Age	24

Failure to pre-certify	\$300 per incident No coverage for non-medically necessary procedures.
<u>Dental</u>	
	<p>Have to enroll to be eligible</p> <p>Unmarried children eligible up to age 24</p> <p>Maximum amounts: \$1500 in one calendar year \$1500 for orthodontics in a lifetime for children to age 24</p> <p>Deductible: \$50 individual per calendar year</p>

Note: This is intended to be a plan design summary. Please refer to the Plan Documents for details on plan benefits, limitations and exclusions.

ARTICLE XIV

TERM OF CONTRACT

This contract shall become effective from the date of ratification by the members of USW Local 5-689 who are employees of the Company on such date. This labor agreement shall remain in force through September 30th of 2009. In the event that the Company's base contract is extended beyond that date, this agreement is also extended for the same amount of time or as mutually agreed upon by the Company and Union beyond September 30th, 2009.

ARTICLE XX
APPROVAL

In the event that any of the provisions of this Contract are found to be in conflict with any valid Federal or State law now existing or hereinafter enacted, it is agreed that such law shall supersede the conflicting provisions without in any way affecting the remainder of these provisions.

This Contract between the Company and the Union is subject to ratification by the membership of bargaining unit employees of Local 5-689 employed by and to the approval of the USW and Paper, Allied-Industrial, Chemical and Energy Workers International Union, and shall be effective only if so approved. These pre-conditions having been satisfied:

IN WITNESS WHEREOF the duly chosen representatives of the parties to this Contract have hereunto set their hands this _____ day of _____ 2007.

**United Steel, Paper and Forestry, Rubber,
Manufacturing, Energy and Allied
Industrial and Service Workers
International Union, and Its
Affiliated Local No. 5-689**

LATA/Parallax Portsmouth, LLC

Linda E. Kobel, Business Manager

Leo Geard, International

Mark Polley, Operations Manager

James English, International Secretary

Paul Kreitz, Project Manager

Tom Conway, International Vice President
Administration

CDM Federal Services Inc.

Fred Redmond, International Vice President
Human Affairs

Del Baird, Vice President

Richard LaCosse, International Vice President

David McCall, District 1 Director

Randy Basham, Local International Staff

Dan Minter, President

Bobby Graff, Vice President

Glenna Emmons

Darwin Rhoden

APPENDIX A-WAGES

The following job descriptions have been established for work to be performed under this contract:

1. D&D Worker 1: Responsible for D&D strip out within facilities, Building demolition, and Skill specific operations, i.e. electrical disconnects, mechanical operations, carpentry, etc.
2. D&D Worker 2: Responsible for Waste packaging, Waste handling, Decontamination and Waste transportation
3. D&D Worker Trainee: Will work under the instruction of the fully qualified D&D worker performing the activities listed above. D&D work performed under their base classification will not need to be performed under instruction.

These are general job guidelines and other tasks may be assigned based on the specific activity.

Workers will be provided with opportunities to receive advanced training or certification to support D&D activities; i.e. Welder, Heavy Equipment Operator, Asbestos Worker, CDL, etc. and will receive additional pay incentive of \$.25/hr to maintain the training/certification.

Core functions for the Stores Material Handlers, Electricians, Mechanics, Sheet Metal Mechanics, HVAC Mechanics, Instrument Mechanics and Water Treatment will be maintained for the crafts identified below. The Joint Classification Committee, may add additional classifications if needed.

All current hourly employees under this contract will be offered positions in the new classifications as identified in the chart below. The starting rate for all USW employees as of the date this contract is ratified will be the 52-week rate if the employee meets the initial staffing requirements. The starting Rate and 26-week rates are applicable to new employees based on their experience. After six (6) months, those hourly employees who were placed in Trainee positions as of the date this contract was ratified will be advanced to the 78-week rate.

2007 Classifications
Transition Pay Scale

Rates shown are current classification rates increased by 3% for D&D Workers and 2% for Core workers

New Classification	Current Classification	Starting Rate	26 Weeks	52 Weeks	78 Weeks
D&D Worker 1 Trainee	Laborer Truck Driver	12.09	12.71	13.10	13.49
D&D Worker 2 Trainee		12.09	12.71	13.10	13.49
D&D Worker 1	Maintenance Mechanic Electrician Sheet Metal Welder Carpenter Painter	14.99	15.51	16.08	
D&D Worker 2	Chemical Operator UMH	14.99	15.51	16.08	
Stores Material Handler		13.50	13.75	13.98	
Electrician Maintenance Mechanic Sheet Metal Mechanic		14.85	15.36	15.93	
Instrument Mechanic HVAC Mechanic		15.00	15.51	16.06	
CDM GWTF Operator		14.62	15.39	15.92	

2007 Classifications
Pay Scale Effective 5-1-07

Rates shown are transition classification rates that have \$1 of COLA added and increased 3.25%

New Classification	Current Classification	Starting Rate	26 Weeks	52 Weeks	78 Weeks
D&D Worker 1 Trainee	Laborer Truck Driver	13.52	14.16	14.56	14.96
D&D Worker 2 Trainee		13.52	14.16	14.56	14.96
D&D Worker 1	Maintenance Mechanic Electrician Sheet Metal Welder Carpenter Painter	16.51	17.05	17.64	
D&D Worker 2	Chemical Operator UMH	16.51	17.05	17.64	
Stores Material Handler		14.97	15.23	15.47	
Electrician Maintenance Mechanic Sheet Metal Mechanic		16.37	16.89	17.48	
Instrument Mechanic HVAC Mechanic		16.52	17.05	17.61	
CDM GWTF Operator		16.13	16.92	17.47	

2008 Classifications
Pay Scale Effective 5-1-08

Rates shown have \$1 of COLA added and increased 3.00%

New Classification	Current Classification	Starting Rate	26 Weeks	52 Weeks	78 Weeks
D&D Worker 1 Trainee	Laborer Truck Driver	14.95	15.61	16.03	16.44
D&D Worker 2 Trainee		14.95	15.61	16.03	16.44
D&D Worker 1	Maintenance Mechanic Electrician Sheet Metal Welder Carpenter Painter	18.03	18.59	19.20	
D&D Worker 2	Chemical Operator UMH	18.03	18.59	19.20	
Stores Material Handler		16.45	16.72	16.96	
Electrician Maintenance Mechanic Sheet Metal Mechanic		17.89	18.43	19.03	
Instrument Mechanic HVAC Mechanic		18.05	18.59	19.16	
CDM GWTF Operator		17.64	18.46	19.02	

2009 Classifications
Pay Scale Effective 5-1-09

Rates shown have \$1 of COLA added and increased 2.75%

New Classification	Current Classification	Starting Rate	26 Weeks	52 Weeks	78 Weeks
D&D Worker 1 Trainee	Laborer Truck Driver	16.39	17.07	17.50	17.92
D&D Worker 2 Trainee		16.39	17.07	17.50	17.92
D&D Worker 1	Maintenance Mechanic Electrician Sheet Metal Welder Carpenter Painter	19.55	20.13	20.75	
D&D Worker 2	Chemical Operator UMH	19.55	20.13	20.75	
Stores Material Handler		17.93	18.21	18.45	
Electrician Maintenance Mechanic Sheet Metal Mechanic		19.41	19.96	20.59	
Instrument Mechanic HVAC Mechanic		19.57	20.13	20.71	
CDM GWTF Operator		19.15	20.00	20.57	

APPENDIX B-COST OF LIVING ALLOWANCE (“COLA”)

In addition to the wage increases, the Company will grant Cost of Living (COLA) allowances as follows:

The COLA, if any, will be determined in accordance with changes in the Consumer Price Index United States City Average for Urban Wage Earners and Clerical Workers, hereinafter referred to as the CPI-W.

The COLA shall be calculated quarterly with the applicable increase (if any) added to the total COLA on the first Monday of the second month following the calculation period.

<u>Based on Three-Month Average CPI-W for</u>	<u>Effective Date of Adjustment</u>	
	<u>From:</u>	<u>To:</u>
July, Aug, Sept 2006	11/6/06	2/4/07
Oct, Nov, Dec 2006	2/5/07	5/6/07
Jan, Feb, March 2007	5/7/07	8/5/07
Apr, May, June 2007	8/6/07	11/4/07
July, Aug, Sept 2007	11/5/07	2/3/08
Oct, Nov, Dec 2007	2/4/08	5/4/08
Jan, Feb, March 2008	5/5/08	8/3/08
Apr, May, June 2008	8/4/08	11/2/08
July, Aug, Sept 2008	11/3/08	2/1/09
Oct, Nov, Dec 2008	2/2/09	5/3/09
Jan, Feb, March 2009	5/4/09	8/2/09
Apr, May, June 2009	8/3/09	11/1/09
July, Aug, Sept 2009	11/2/09	1/31/10
Oct, Nov, Dec 2009	2/1/10	5/2/10
Jan, Feb, March 2010	5/3/10	8/1/10
Apr, May, June 2010	8/2/10	2/6/11

The amount of the COLA payable on the effective dates of adjustments will be determined by comparing the three-month average CPI-W for the adjustment period to the Base. \$.01 per hour for each full .3 of a point change that the three-month average CPI-W for the adjustment period exceeds the Base will be added to any COLA payable as indicated above.

In determining the three-month average of the CPI-W for a specified period, the computed average shall be rounded to the nearest 0.1 Index Point.

In the event the Bureau of Labor Statistics does not issue the appropriate CPI-W on or before effective date of adjustment, the COLA required by such appropriate index shall be effective at the beginning of the first pay period after receipt of the index.

No adjustment, retroactive or otherwise, shall be made in pay or benefits as a result of any revision which later may be made in the published figures for the Index for any month on the basis of which the cost-of-living calculation shall have been determined.

The COLA is dependent upon the availability of the BLS CPI-W in its present form. In the event the Bureau of Labor Statistics changes the form or the basis of calculating the CPI-W, the

Company and the Union agree to request the Bureau to make available for the life of this Contract a CPI-W in its present form.

In no event will a decline in the CPI-W be cause to reduce any Cost-of-Living Allowances that have been made prior to such decline.

The following amounts will be subtracted from the COLA wages and added to the Base Rate before the above Base Rate increases are calculated in the respective years.

May 2, 2007	\$1.00
May 2, 2008	\$1.00
May 2, 2009	\$1.00

APPENDIX C-DRUG AND ALCOHOL CONTROL PROGRAM

It is agreed by the parties that the Drug and Alcohol Control Program described below shall be fully implemented on the effective date of this Contract. The items listed below describe the basic terms, but not all details of the program to be implemented.

1. Drug testing will be conducted using existing testing procedures and protocols.
2. Drug testing under this provision will be performed “for cause”.
3. Failure of an employee to submit to a drug test if required by the Company can be interpreted as a positive test result.
4. During the term of the contract, no employee will be automatically terminated for a first time positive test. This does not mean that termination is precluded.
5. Tests shall be administered in accordance with an accredited qualified testing program.
6. The Company and the Union will negotiate during the term of the new Contract with respect to the other impacts of drug testing upon the bargaining unit.
7. All union positions within the Contract shall be subject to this provision. The specific details of the program are listed under “Drug Control Program Elements.”

Agreements on Alcohol Testing

1. Alcohol testing shall be “for cause” testing.
2. The threshold at which a test is considered positive shall be governed in accordance with regulatory limits.
3. The Company agrees that a first instance test above the threshold shall not automatically result in termination of the employee. This does not mean that termination is precluded.
4. Discipline given to an employee shall be subject to the grievance procedure. (except as indicated below in #8.)
5. Tests shall be administered in accordance with an accredited qualified testing program.
6. The initial test will be by Breathalyzer and, if positive, shall be confirmed by a blood test.
7. Failure of an employee to submit to an alcohol test if required by the Company can be interpreted as a positive test result.
8. In instances where an employee has tested positive by Breathalyzer and by blood test, the employee may receive discipline at levels up to and including termination. In such instances, any discipline given (including termination) shall not be pursuable through the grievance and arbitration provisions of this Contract.

DRUG CONTROL PROGRAM ELEMENTS

It is agreed by the parties that the Drug Control Program described below shall be fully implemented on the effective date of this Contract. The items listed below describe the basic terms, but not all details of the program to be implemented.

1. Illegal drugs include any substance which under the Federal Controlled Substances Act or state statute is unlawful to possess. Examples are marijuana, cocaine, heroin, quaaludes, hallucinogens, and other street drugs; and controlled prescription drugs such as amphetamines and barbiturates that have not been lawfully prescribed for the individual using or possessing them.

2. Employees who manufacture, use, possess, or traffic in illegal drugs whether on or off the job or Company premises subject themselves to disciplinary action up to and including termination, even for a first offense. An employee will not be retained on the payroll following a second offense.
3. The Company encourages any employee having a drug problem to seek medical assistance promptly. Employees may elect to take advantage of counseling and rehabilitation services available through referrals by the Company's Medical Review Officer as provided by the health care plan. In cases where the employee is found to be in violation of this policy, but not terminated, the Company will strongly urge and may require that employee to obtain appropriate medical assistance.

If an employee has a drug problem and voluntarily seeks the help of the Medical Review Officer to overcome the problem, the services of the Medical Review Officer are available to the employee. Medical may refer the employee to outside groups for special assistance when appropriate. An employee's decision to seek medical assistance will not be used by the Company as a basis for disciplinary action, nor will it be a defense to or a mitigating factor in the imposition of appropriate disciplinary action, including termination, where facts indicating a violation of this policy are obtained independent of the employee's consultations with the Medical Review Officer.

4. Where there is reasonable suspicion to believe that an employee may have used an illegal drug, including work-related accidents and unusual occurrences, the Company may require the employee to submit to a drug test. The Human Resources Manager will inform the employee in writing of the basis for the reasonable suspicion. An employee's refusal to consent to drug testing under these circumstances will be considered to be cause for disciplinary action, up to and including termination, even for a first refusal.

The Company will not take any action until the matter has been fully reviewed with the Human Resources Manager or designated representative. The Human Resources Manager will consult the Company Medical Officer as appropriate. A case arising during off-shift hours must be carefully reviewed with the appropriate Shift Superintendent before any action is taken.

5. Drug testing is by urinalysis and is performed in two stages by an independent laboratory. In the first stage, EMIT immunoassay is used to screen urine specimens for classes of drugs. EMIT immunoassay is an analytical technique which utilizes an antibody that is specific for a drug. Actual quantitation is based on the measurement of enzyme activity which is proportional to the amount of drug present. In the second stage, if positive results are found in the first stage, portions of the same specimen will be tested using the tandem technique of gas chromatography/mass spectrometry (GC/MS) which positively identifies and quantitates the presence of a specific drug. No test result will be reported by the independent laboratory as a positive drug test result unless both the initial test and the confirming test are positive. An amount of an illegal drug in an individual's body equal to or higher than the threshold level as detected by a drug test is considered to be use of the drug by an individual.

Drug testing will be for those drug classes and at screening and confirmation threshold levels as are now approved by the National Institute on Drug Abuse (NIDA) of the U.S. Department of Health and Human Services (DHHS). Current Company procedures and protocols for such matters as sample collection and transport, laboratory testing, handling of test results, will be utilized in the Company's administration and

enforcement of this program. The testing laboratory will be NIDA/DHHS certified and mutually selected by the parties.

6. The medical staff will collect urine samples from employees for the purpose of drug testing. They will closely monitor the urine sample collection and establish a chain of custody by receipts documentation for the packaging of samples and their delivery to the independent laboratory that conducts the testing. A breach of the chain of custody will render the specimen unusable. Protocols are established to guarantee the chain of custody through the testing laboratory, the privacy of the individual, and for assuring the continuing high quality of the laboratory's testing methods. It is understood that the employee will not be directly observed while actually collecting the urine specimen into the specimen bottle.

The employee to be tested will produce two urine specimens at the same time at the office of the Company's Medical Officer. Both specimens will be processed under existing chain of custody and collection protocols and transported to the independent laboratory. Should urinalysis of the first specimen yield a positive test result after review by the Medical Review Officer (MRO), the employee may then elect to have his/her second specimen also tested by the laboratory. In such case the employee will not be deemed to have tested positive unless the test results for both specimens are positive.

7. Information obtained on individuals as part of the drug testing or this Drug Control Program will be treated confidentially and will be disclosed only to those having a legitimate need to know.
8. The MRO will be certified by the American Association of MRO's or the American Academy of Occupational and Environmental Medicine. The MRO will report his/her findings to the Company Medical Officer.
9. An employee found to have used an illegal drug, if not terminated, is required to sign a statement agreeing, in lieu of termination, not to use illegal drugs again. The employee is thereafter required to provide the Medical Review Officer with urine samples at intervals and over a period of time as recommended by the Company for follow-up drug testing.
10. A positive result from a confirmed drug test will be promptly reported to the Department of Energy.
11. The Company may search individuals, their personal effects, work areas, desks, lockers, etc. Such searches will be conducted on premises, unannounced and may include the use of drug detection dogs. Pat-down searches of individuals and searches of vehicles in plant parking lots will be conducted only when there is reason to suspect manufacture, use, possession, or trafficking of illegal drugs' and these searches will normally be conducted by or under the supervision of the Security organization. An employee's refusal to consent to a search under these circumstances will subject the employee to disciplinary action up to and including termination, even for a first refusal.
12. Employees are required to notify the Human Resources Manager of their conviction of any criminal drug offense occurring in the workplace or while conducting Company business off Company premises within five (5) days following the conviction. Such convictions will be reported immediately or in any case within ten (10) days to the

Department of Energy. Within thirty (30) days of receiving notice of the employee's conviction, the Company will take appropriate disciplinary action up to and including termination and/or will require the employee to satisfactorily participate in an approved rehabilitation program.

13. As a condition of employment, employees must abide by the terms of this policy. Certain designated testing positions, in accordance with the Company's Substance Abuse Program will be subject to random testing.

MEMORANDUM OF UNDERSTANDING
PHYSICAL EXAMINATIONS

The Company and Union agree to the following in relationship to Physical Examinations, except as provided for in Article VIII, Section 11.

All physical exams or portions thereof that are required by the Company, of employees as condition of continued employment, rate retention or protection as outlined in Atomic Energy Labor Relations Recommendations of 1979 will apply.

The following provisions shall apply when an employee is removed from his/her job because of a medical restriction due to the above.

1. The Division Committeeperson and respective Supervisor or Department Managers shall agree upon a group within the employee's classification in which such restricted employee shall be placed consistent with medical restrictions and seniority. Should this create an excess, the least senior employee shall be excessed.
2. If the restricted employee is not placed according to one (1) above, for permanent restriction, then the Human Resources Department will give written notification to the Union and employee as to what classifications the medically restricted employee is able to work in. The employee will be paid at his/her current rate while assigned to another classification. Rate retention does not apply when placed as a result of a nonoccupational injury.

The employee in permanent restriction shall utilize his/her seniority to move to any classification for which he/she is qualified. An employee returning to a base classification may use his/her seniority to exercise bumping privileges. An employee not returning to a base classification will start accruing seniority for job preference effective the date of transfer to that classification.

3. The temporarily restricted employee not placed in one (1) above shall have rate retention when placed in another classification. Rate retention does not apply when placed as a result of a nonoccupational injury.
4. The employee will accrue classification seniority in both the classification he/she bumped to as well as the classification he/she left, as long as restricted. Once an employee returns to the classification from which restricted, seniority in the temporary classification is lost.
5. In the event of a surplus in the classification the restricted employee is working, the employee shall have, for the purpose of reduction in force only, classification seniority equal to his/her seniority.
6. When the medical restriction is removed, an employee will return to the job from which he/she was restricted. If the job is no longer in existence, the employee shall exercise his/her classification seniority to move to any job in the classification his/her seniority permits. Once the medical restriction is removed, rate retention no longer applies.

MEMORANDUM OF UNDERSTANDING
RECALL OPPORTUNITIES FOR EMPLOYEES ON TEMPORARY TOTAL
OCCUPATIONAL DISABILITY

When an individual is temporarily totally disabled (occupational) at the time of recall, he/she will be bypassed.

When able to return to work, the employee can return and displace the least senior person in the classification, provided that he/she has more seniority. Seniority will begin the date he/she would have been recalled had he/she not been temporarily totally disabled at the time of original recall.

The intent is for the individual not to gain or lose seniority while on occupational disability and laid off.

MEMORANDUM OF UNDERSTANDING
DISABILITY PAY

The Company will implement a Loan Program to address the Union's concern regarding the potential time lag in receiving Workers' Compensation pay due to processing time of claims and delays resulting from appeals.

The loan agreement will provide that the employee may receive an amount equal to 85% of normal pay, less 30% for taxes, plus other authorized deductions, under terms and conditions stipulated in this Contract.

In the event the Company experiences difficulty obtaining payback of such loans, upon notification to the Union, this arrangement will be discontinued.

MEMORANDUM OF UNDERSTANDING
EFFECT OF USEC PENSION PLAN ON EMPLOYMENT

This Memorandum of Understanding is entered into between LATA/Parallax Portsmouth (LPP or the Company) and the United Steelworkers of America, Local 5-689 (USW or the Union).

Background and Acknowledgments

1. Some LPP employees represented by the Union were formerly employed by the United States Enrichment Corporation (USEC) in a bargaining unit represented by the Union.
2. LPP is a participating employer in the Multi-Employer Pension Plan (MEPP) administered by Bechtel Jacobs Company.
3. USEC sponsors its own pension plan ("the USEC Pension Plan"), in which LPP employees who formerly were employed by USEC are participants.
4. Previous contracts between the Union and the Bechtel Jacobs Company, a predecessor to LPP, governing a bargaining unit of Bechtel Jacobs' employees contained provisions regarding the effect of receiving benefits from the USEC Pension Plan on the employee's seniority and other rights as a Bechtel Jacobs' employee, including participation in the MEPP.
5. LPP and the USW wish to address the issue of receiving USEC Pension Plan benefits on employment at LPP and therefore agree as follows:

Agreements

1. The application for and/or the receipt of benefits from the USEC Pension Plan, based on employment with USEC, shall have no effect on the terms & conditions of employment of any LPP employee represented by the Union, including any and all rights to employment and/or other benefits provided in any collective bargaining agreement between LPP and the Union.
2. LPP and the Union shall provide a notice to each employee on the LPP payroll on March 27, 2007, and to any former USEC employee hired thereafter. That notice shall state:
 - a. That each LPP employee is advised to obtain outside, independent financial and/or legal counsel and advice before making any final decision about applying for and/or receiving benefits under the USEC Pension Plan based on service with USEC or any other employer.

- b. That each LPP employee is advised to contact and obtain information from the administrators of the MEPP about the consequences of applying for and/or receiving benefits under the MEPP based on the receipt of benefits from the USEC Pension Plan based on service with USEC or any other employer.
- c. That neither LPP nor the Union can or will advise an employee of the consequences of accepting USEC Pension Plan benefits, because the consequences of applying for and/or receiving those benefits may vary depending upon various factors, including but not limited to the employee's age, service time, retirement goals and other relevant financial factors.
- d. That each LPP employee who applies for and/or receives benefits from the USEC Pension Plan, based on service with USEC or any other employer, bears the responsibility for the consequences, benefits, and risks of deciding to do so.
- e. That neither LPP nor the Union either encourages or discourages an employee from making a decision to apply for and/or receive benefits under the USEC Pension Plan, based on service with USEC or any other employer, and that neither LPP nor the Union is responsible for the consequences, benefits, and risks to any employee who decides to do so.

MEMORANDUM OF UNDERSTANDING
SHIFT OVERLAP

For the purpose of transferring information by off-going shift personnel with on-coming shift personnel, the parties agree to a 12-minute shift overlap to be prior to the shift. It is understood that Article X. Section 10 (b) and (c) do not apply to this overlap period. It is also understood that this shift overlap period will not be deemed an extended work schedule as defined in Article XIII, Section 2. Payment for the 12 minute shift overlap period will be at double time.

The shift overlap will occur in the following areas:

1. Utility Operators
 - a. CDM GWTF Operators
R – As a Relieving Basis

The Company may make additions or deletions to this list or may establish the shift overlap at the end of the shift based on operational considerations. In the event such a change is made, the affected employees will be provided at least one week's advance notice and the Union will be provided at least two week's advance notice. A shift overlap also may apply to ten or twelve hour shifts if so determined by the Company.

Dated: March 27, 2007

United Steelworkers Union Local 5-689

LATA/Parallax Portsmouth, LLC

Title: _____

Title: _____

MEMORANDUM OF UNDERSTANDING
10 Hour Day Shift
DATED May 15, 2007

The parties agree to the following:

1. The Company is initiating a new day shift that will comprise of a four 10-hour work week Monday through Thursday.
2. The Union understands that this new schedule is being initiated on a trial basis and the company reserves the right to revert back to another schedule in accordance with the terms and conditions of the Company and the Union's collective bargaining agreement.
3. The starting time and quitting time will be decided by the Company and will normally be 7:00 a.m. to 5:30 p.m. However, any deviations from this schedule will not be earlier than 6:00 a.m. nor end past 6:00 p.m.
4. The first ten (10) hours will be straight time, with no shift differential or meal allowance. Any time worked after the first ten (10) hours will be paid as the contract language provides.
5. Jury Duty pay will be as the current contract language states. It is recognized that the employee shall be paid their base hourly rate for the time lost from the regularly scheduled 10 hour shift. Jury Duty scheduled on scheduled days of work will be credited as hours worked.
6. An employee who is excused from work because of the death of a member of his/her immediate family, shall be paid at base hourly rate for time missed up to a maximum of three (3) consecutive scheduled ten (10) hour workdays.
7. Vacations will continue to be paid and charged in on hour increments. (No intent to change vacation hour schedule of benefits.)
8. When a week with a scheduled holiday occurs, the Company working hours will revert back to an eight (8) hour schedule for that week. All rules and regulations shall be those applicable to the eight (8) hour schedule during these holiday weeks, including vacation.
9. The fifth day worked will be considered as the sixth consecutive day, and the sixth and seventh day worked will both be considered as the seventh consecutive day.

Dan Minter, USW President

Linda Kobel, LPP Business Manager

Date

Date